



NAVAL POSTGRADUATE SCHOOL

MONTEREY, CALIFORNIA

THESIS

**ASYMMETRIC POWER BALANCE AND ITS
IMPLICATIONS FOR REGIONALISM IN SOUTH ASIA**

by

Puran Ghale

March 2015

Thesis Advisor:
Co-Advisor:

Paul S. Kapur
Feroz Khan

Approved for public release; distribution is unlimited

THIS PAGE INTENTIONALLY LEFT BLANK

REPORT DOCUMENTATION PAGE			<i>Form Approved OMB No. 0704-0188</i>	
Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instruction, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to Washington headquarters Services, Directorate for Information Operations and Reports, 1215 Jefferson Davis Highway, Suite 1204, Arlington, VA 22202-4302, and to the Office of Management and Budget, Paperwork Reduction Project (0704-0188) Washington, DC 20503.				
1. AGENCY USE ONLY (Leave blank)		2. REPORT DATE March 2015	3. REPORT TYPE AND DATES COVERED Master's Thesis	
4. TITLE AND SUBTITLE ASYMMETRIC POWER BALANCE AND ITS IMPLICATIONS FOR REGIONALISM IN SOUTH ASIA			5. FUNDING NUMBERS	
6. AUTHOR(S) Puran Ghale			8. PERFORMING ORGANIZATION REPORT NUMBER	
7. PERFORMING ORGANIZATION NAME(S) AND ADDRESS(ES) Naval Postgraduate School Monterey, CA 93943-5000			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
9. SPONSORING /MONITORING AGENCY NAME(S) AND ADDRESS(ES) N/A			10. SPONSORING/MONITORING AGENCY REPORT NUMBER	
11. SUPPLEMENTARY NOTES The views expressed in this thesis are those of the author and do not reflect the official policy or position of the Department of Defense or the U.S. Government. IRB Protocol number ____ N/A ____.				
12a. DISTRIBUTION / AVAILABILITY STATEMENT Approved for public release; distribution is unlimited			12b. DISTRIBUTION CODE	
13. ABSTRACT (maximum 200 words) It is widely believed that the regional dynamics in South Asia, characterized by power-asymmetry and geographical Indo-centricity, make the region a particularly brittle strategic environment. In that challenging context, this study seeks to determine why regional integration, including the creation of an important role for SAARC (South Asian Association for Regional Cooperation), has been so difficult in South Asia. The paper asserts that the power asymmetry between India and other South Asian countries has fueled an environment of regional discord, which has adversely affected regionalism in South Asia. The conflictual relationships, most prominent between India and Pakistan, have manifested in a regional mindset that is highly sensitive to state sovereignty and averse to the notion of relinquishing any degree of state sovereignty to a supra-national authority, which the European countries successfully accomplished. Such a mindset has made it difficult for South Asian countries to properly institutionalize the SAARC. The paper concludes that despite the setbacks, the prospects appear positive for regional integration in South Asia. But to achieve any meaningful traction in the integration process, the onus ultimately lies on SAARC members to change their attitudes vis-à-vis each other and soften their respective stances.				
14. SUBJECT TERMS Asymmetrical Power Balance, Regionalism, South Asia, South Asian Association for Regional Cooperation, European Union, Association for Southeast Asian Nations, Supra-nationalism, state sovereignty, conflict.			15. NUMBER OF PAGES 101	
			16. PRICE CODE	
17. SECURITY CLASSIFICATION OF REPORT Unclassified	18. SECURITY CLASSIFICATION OF THIS PAGE Unclassified	19. SECURITY CLASSIFICATION OF ABSTRACT Unclassified	20. LIMITATION OF ABSTRACT UU	

THIS PAGE INTENTIONALLY LEFT BLANK

Approved for public release; distribution is unlimited

**ASYMMETRIC POWER BALANCE AND ITS IMPLICATIONS FOR
REGIONALISM IN SOUTH ASIA**

Puran Ghale
Lieutenant Colonel, Nepal Army
M.A., King's College, London, 2010

Submitted in partial fulfillment of the
requirements for the degree of

**MASTER OF ARTS IN SECURITY STUDIES
(CIVIL-MILITARY RELATIONS)**

from the

**NAVAL POSTGRADUATE SCHOOL
March 2015**

Author: Puran Ghale

Approved by: Paul S. Kapur, Ph.D.
Thesis Advisor

Feroz Khan
Co-Advisor

Mohammed M. Hafez, Ph.D.
Chair, Department of National Security Affairs

THIS PAGE INTENTIONALLY LEFT BLANK

ABSTRACT

It is widely believed that the regional dynamics in South Asia, characterized by power-asymmetry and geographical Indo-centricity, make the region a particularly brittle strategic environment. In that challenging context, this study seeks to determine why regional integration, including the creation of an important role for SAARC (South Asian Association for Regional Cooperation), has been so difficult in South Asia.

The paper asserts that the power asymmetry between India and other South Asian countries has fueled an environment of regional discord, which has adversely affected regionalism in South Asia. The conflictual relationships, most prominent between India and Pakistan, have manifested in a regional mindset that is highly sensitive to state sovereignty and averse to the notion of relinquishing any degree of state sovereignty to a supra-national authority, which the European countries successfully accomplished. Such a mindset has made it difficult for South Asian countries to properly institutionalize the SAARC. The paper concludes that despite the setbacks, the prospects appear positive for regional integration in South Asia. But to achieve any meaningful traction in the integration process, the onus ultimately lies on SAARC members to change their attitudes vis-à-vis each other and soften their respective stances.

THIS PAGE INTENTIONALLY LEFT BLANK

TABLE OF CONTENTS

I.	ASYMMETRIC POWER BALANCE AND ITS IMPLICATIONS FOR REGIONALISM IN SOUTH ASIA	1
A.	MAJOR RESEARCH QUESTION.....	1
B.	IMPORTANCE.....	2
C.	POTENTIAL EXPLANATIONS AND HYPOTHESES	4
D.	LITERATURE REVIEW	10
E.	METHODS AND SOURCES	17
F.	THESIS OVERVIEW	17
II.	ASYMMETRICAL POWER BALANCE AND ITS IMPLICATIONS FOR INTER-STATE RELATIONSHIPS IN SOUTH ASIA	19
A.	SOUTH ASIA: A REGIONAL PERSPECTIVE.....	19
B.	EVOLUTION OF REGIONAL POWER ASYMMETRY	20
C.	IMPLICATIONS ON INTERSTATE RELATIONS.....	23
1.	India-Pakistan Relations	24
2.	India-Bangladesh Relations	28
3.	India-Nepal Relations	29
4.	India-Sri Lanka Relations.....	30
5.	India-Afghanistan Relationship.....	30
6.	India-Bhutan Relationship.....	32
D.	IMPLICATIONS ON REGIONALISM.....	33
E.	CONCLUSION	36
III.	ASYMMETRICAL POWER BALANCE AND ITS IMPLICATIONS ON THE ROLE OF THE SAARC.....	37
A.	GENESIS OF SAARC.....	37
B.	PROVISIONS IN THE SAARC'S CHARTER AND ITS IMPLICATIONS	45
C.	DIVERGENT SECURITY PERCEPTIONS AND THEIR IMPLICATIONS	47
D.	INDIA'S ROLE IN REVAMPING THE SAARC	49
E.	CONCLUSION	53
IV.	A COMPARATIVE PERSPECTIVE: SAARC, EU, AND THE ASEAN.....	55
A.	EVOLUTION OF REGIONALISM	55
B.	THE GENESIS OF THE EU	56
C.	THE ASEAN PERSPECTIVE	59
D.	ASEAN DECISION-MAKING PROCESS	64
E.	EU DECISION-MAKING PROCESS	66
F.	STATE SOVEREIGNTY AND SUPRA-NATIONALITY.....	67
G.	SOVEREIGNTY VERSUS SUPRA-NATIONALITY: THE ASEAN EXPERIENCE	69
H.	CONCLUSION	70

V. CONCLUSION AND RECOMMENDATIONS.....	73
LIST OF REFERENCES.....	81
INITIAL DISTRIBUTION LIST	87

LIST OF ACRONYMS AND ABBREVIATIONS

ASEAN	Association of Southeast Asian Nations
BWP	Bangladesh Working Paper
EC	European Community
ECJ	European Court of Justice
EEC	European Economic Community
EU	European Union
IPA	Integrated Program of Action
MFN	Most Favored Nation
OPEC	Organization of the Petroleum Exporting Countries
PNE	Peaceful Nuclear Explosion
QMV	Qualified Majority Vote
SAARC	South Asian Association for Regional Cooperation
SARC	South Asian Regional Cooperation
ZOPFAN	Zone of Peace, Freedom, and Neutrality

THIS PAGE INTENTIONALLY LEFT BLANK

ACKNOWLEDGMENTS

I wish to express my sincere gratitude to my advisor, Professor Paul S. Kapur, for his invaluable guidance and insight, without which this endeavor would not have been a success. Equally, I am grateful to Professor Feroz Khan, my co-advisor, for his thoughtful and expert insight on the regional dynamics of South Asia.

I am also thankful to the members of staff of the Dudley Knox Library at the Naval Postgraduate School for their support in finding relevant research materials and documents.

Finally, I am thankful to my dear wife, Jyoti Gurung, for her untiring support, patience, and understanding throughout the work.

THIS PAGE INTENTIONALLY LEFT BLANK

I. ASYMMETRIC POWER BALANCE AND ITS IMPLICATIONS FOR REGIONALISM IN SOUTH ASIA

A. MAJOR RESEARCH QUESTION

In the past four decades of the post–Cold War era, the world has witnessed a dramatic surge in the trend of regional cooperation and integration. With many countries joining the bandwagon, regionalism venture has indeed been one of the most important developments in world politics. Virtually all countries are now members of at least one regional grouping, and South Asia is no exception to this worldwide trend.¹ As a regional entity, South Asia is composed of mainly the sub-Himalayan countries and includes the adjoining countries on both sides. The formal regional entity in South Asia, the South Asian Association for Regional Cooperation (SAARC), was initially composed of Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. However, the membership of the organization expanded after Afghanistan joined as the eighth member in 2007. For South Asia, the formation of the SAARC in 1985 was the first institutionalized effort in promoting regionalism in the subcontinent. Yet, after almost three decades of its existence, the organization still gropes for ways to fulfill its mandates of regional prosperity and development, and South Asia remains as divided as ever, mired in intractable inter-state and intra-state conflicts. Anasua Basu Ray Chaudhary succinctly puts the dilemma in perspective when she states, “In South Asia the past remains the present and the leaders of the constituent countries are more comfortable in their dealings with countries from outside the region than they are among themselves.”² Rafiq Dossani et al. further points out that “it is almost as if South Asia does not exist as a region at all, or that it lives only in the memories of those who remember or study colonial times.”³

¹ Kishore C. Dash, *Regionalism in South Asia: Negotiating Cooperation, Institutional Structures* (New York: Routledge, 2008), 3.

² Anasua Basu Ray Chaudhury, *SAARC at Crossroads: The Fate of Regional Cooperation in South Asia* (New Delhi: Samskriti, 2006), xiv.

³ Rafiq Dossani, Daniel C. Snider, and Vikram Sood, “Does South Asia Exist,” in *Does South Asia Exist?: Prospects for Regional Integration*, eds. Rafiq Dossani, Daniel C. Snider, and Vikram Sood (Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010), 15.

It is widely believed that the regional dynamics in South Asia, characterized by power-asymmetry and geographical Indo-centricity, make the region a particularly brittle strategic environment.⁴ In that challenging context, this study seeks to determine why regional integration, including the creation of an important role for the SAARC, has been so difficult in South Asia. Additionally, the study aims to examine the prospect for regionalism in South Asia and draw policy recommendations in this regard.

B. IMPORTANCE

With more than one-fifth of humanity,⁵ South Asia garners importance in the world arena by virtue of its sheer demographic versatility and potential. As home to 27 percent of the world's population, the region is the most populous and the densest geographical region in the world. Such a concentration of population will always be important, whatever its circumstances, for world affairs. By virtue of its enormous population, the region can become an important reservoir of labor-intensive enterprise. It is also the second fastest growing region in the world after East Asia.⁶ The remarkable growth of India since the country's economic reforms of the early 1990s has particularly enhanced the economic potential of the region. As the world's largest democracy and the tenth largest economy, India has attracted global attention as an emerging economic powerhouse. Hence, South Asia promises to play a significant role in the global politics and economy.

On the downside, South Asia raises global concerns as a region beset with chronic instability and economic disintegration. Christian Wagner asserts that "the region continues to be one of the most important crisis regions in the 21st century."⁷ The

⁴ Kanti P. Bajpai and Stephen P. Cohen, *South Asia after the Cold War: International Perspectives*, eds. Kanti P. Bajpai and Stephen P. Cohen (Boulder, CO: Westview Press., 1993), 4.

⁵ Compared to a 7 billion-plus world population, the South Asian population was estimated at 1.61 billion in 2013, which amounts to 27% of the world's population (source: The World Bank, "Data: South Asia," 2015, <http://data.worldbank.org/region/SAS>).

⁶ Ejaz Ghani, ed., *The Poor Half Billion in South Asia: What Is Holding Back Lagging Regions* (New Delhi: Oxford University Press, 2010), 1.

⁷ Christian Wagner, *Security Cooperation in South Asia: Overview, Reasons, Prospects* (SWP Research Paper) (Berlin: Stiftung Wissenschaft und Politik, German Institute for International and Security Affairs, 2014), 5–22, http://www.swp-berlin.org/fileadmin/contents/products/research_papers/2014_RP06_wgn.pdf.

region's instability becomes more worrying due to the potential spillover effects in other parts of the world. Most of the instability in the region comes from widespread poverty. South Asia contains more of the world's poor—500 million people—than any other region, even Sub-Saharan Africa.⁸ It is worrying that the number of people living in poverty has actually increased in a region that is growing so rapidly.⁹ In South Asia, nearly 600 million people live on less than US\$1.25 a day, more than 250 million children are undernourished, and more than 30 million children do not go to school.¹⁰ Instability also arises from the fact that the region suffers from terrorism, often fueled by ethnic, secessionist conflicts and religious extremism.¹¹ Instability coming out of poverty and conflicts has required substantial investment of global resources in terms of refugee assistance, food programs, peacekeeping and stabilization support, and development assistance.

The imperative to understand South Asia has further increased due to the overt introduction of the nuclear dimension in the region. The two principal antagonists in the region, India and Pakistan, openly acknowledged their nuclear prowess in 1998. Such developments have raised global concerns for rightful reasons, as many analysts fear that the possibility of a nuclear showdown between the two adversaries cannot be altogether disregarded, given the nature of their animosity and the geo-political imperatives of the two countries. U.S. President Bill Clinton's remark about Kashmir being "the most dangerous place on earth" during his visit to the region in March 2000 was based not on an evaluation of day-to-day security threats faced by people in Kashmir, but on the concern of the potential nuclear exchange that would have far-reaching effects.¹²

A study in regionalism in South Asia assumes significance because of the historical and geo-political imperatives of the region, which intertwine the destinies of South Asian nations with each other. People in South Asia share deep-rooted social and

⁸ Ghani, *The Poor Half Billion*, xv.

⁹ Ibid., 1.

¹⁰ Ibid., 2.

¹¹ Wagner, "Security Cooperation in South Asia," 5.

¹² Terence Hunt, "President-Wallah: India Is the Jewel in U.S. Leader's Asia Trip," *Guardian*, March 20, 2000.

cultural linkages that transcend borders. Bimal Prasad argues, “Indeed, it is possible even to talk of South Asia as a definite cultural unit on the world map.”¹³ These dynamics make it a daunting prospect, if not an impossible one, for a South Asian country to develop and prosper on its own. An individualistic venture may even prove futile in consideration of the region’s geo-political imperatives. A South Asian country, on its own, does not possess sufficient institutional and infrastructural capacities for sustainable development and growth. Hence, it can be argued that, for the region to make any headway, a collective endeavor is needed. As Peter Katzenstein describes, “Collective regional action, or regionalism, enhances each member state’s development and security.”¹⁴ The potential has been proven in European integration, where effective institutionalization of regionalism has contributed to peace and economic prosperity in the aftermath of the Second World War.

Furthermore, understanding the role of India in regional integration in South Asia assumes both regional and global significance because of the Indo-centric nature of the region and India’s growing global influence. Many observers believe that India has huge potential and means to take a meaningful leadership role in the region. But so far, this has not happened because India continues to have conflicting relationships with its neighbors. Such conflictual relationships have undermined India’s regional status and raised questions about the nation’s ability to assume leadership in the region. To make matters worse, many analysts blame India’s highhandedness on regional affairs for the failure of regionalism in South Asia. For India, these dynamics may prove counterproductive to its regional and global aspirations.

C. POTENTIAL EXPLANATIONS AND HYPOTHESES

In South Asia, it appears regional integration has not succeeded largely because of the power asymmetry between India and its neighbors, which has induced conflicting relationships and a lack of trust among the South Asian countries.

¹³ Bimal Prasad, “Prospects for Greater Cooperation in South Asia,” in *The Dynamics of South Asia: Regional Cooperation and SAARC*, eds. Eric Gonsalves and Nancy Jetly (New Delhi: Sage, 1999), 71.

¹⁴ Peter Katzenstein, “Regionalism and Asia,” *New Political Economy* 5, no. 3 (2000): 353–70.

There is a sense of déjà vu in the regional dynamics of South Asia because the same issues continue to stand out prominently as key factors responsible for sustaining the environment of discord and impeding regional cooperation. The asymmetrical power balance manifest with Indian hegemonic aspirations and outright defiance from its neighbors, especially Pakistan, remains a key attribute to the environment of discord. The Indo-centric nature of the stand-off demonstrates that regionalism has mainly failed in South Asia due to the ambivalent attitude of the presumed regional hegemon towards the concept and the inherent mistrust and suspicion shared by the smaller countries towards it. The solution, hence, seems to be largely normative: that both India and its smaller neighbors should undergo a change in their attitude vis-à-vis each other. They should be able to forego their differences for the sake of the larger benefits that regional integration can bring. Recent developments, which seem to point out that the regional actors may be having a positive change in attitude towards regional cooperation, are certainly encouraging but still a distant prospect.

Regional integration efforts in South Asia have not worked well both for political and economic reasons. However, political imperatives seem to take precedence over economic factors in explaining the lack of regional cooperation in South Asia. Bimal Prasad asserts that “the basic factor behind the slow growth of regional cooperation in South Asia is not economic, but political.”¹⁵ If political differences can be overcome or set aside by member states, then the region constitutes an ideal grouping for economic integration.¹⁶ The political dimensions are mainly overshadowed with security concerns among member states vis-à-vis their neighbors, which, some observers argue, have been exaggerated to protect vested interests of political elites of the region.¹⁷ With more focus on perceived external threats, domestic politics rooted in nationalism have largely downplayed internal security threats, such as poverty, government corruption, and inequitable growth.¹⁸

¹⁵ Prasad, “Prospects for Greater Cooperation in South Asia,” 64.

¹⁶ Muchkund Dubey, “Regional Economic Integration in South Asia: The Development of Institutions and the Role of Politics,” in *Does South Asia Exist*, 53.

¹⁷ Rajiv Kumar, “Is a Successful SAARC an Imperative for India?” in *Does South Asia Exist*, 110.

¹⁸ Ibid.

In South Asia, the Indo-centric asymmetric power balance has raised security concerns among the smaller states leading to mistrust and suspicion of Indian motives. In such a scenario, one can argue that regional cooperation has certainly been a problematic affair. As Feroz Khan asserts, “In this asymmetric environment, security concerns are the primary obstacle to [regional] integration.”¹⁹ India is considerably superior in geographic size, economic resources, and military capabilities than the other SAARC countries.²⁰ This disparity has raised security concerns among the smaller countries of the region: Bangladesh, Pakistan, Sri Lanka, Nepal, Bhutan, and Maldives. Furthermore, it has led to a paradox in which, on the one hand, India seeks to be the regional security provider and wants the other countries of the region to cooperate with it in keeping external strategic interests and influences out of the region; while on the other hand, the other smaller powers view India as the main source of threat to their security and welcomes external powers’ interests and activities in the region to offset what they presume to be India’s hegemonic aspirations.²¹ Nepal’s more-than-occasional tryst with China, Sri Lanka’s quest for close ties with China and certain Western powers, and Pakistan’s close and strong ties with China shows the apprehension of the smaller countries vis-à-vis India.²²

The resultant interstate discords continue to raise security concerns, forcing regionalism to take a backseat in South Asia. Ansau Chaudhary concedes that “nagging bilateral disputes have remained major roadblocks in the path of regional cooperation in South Asia.”²³ The nature of discord ranges from inherited conflicts over disputed territories, cross-border movements, and distribution of resources, and creates a legacy of distrust among the SAARC nations.²⁴ Again, India takes the central position in this mayhem, as almost all the countries in the region have some outstanding disputes with

¹⁹ Feroz Khan, “Security Impediments to Regionalism in South Asia,” in *Does South Asia Exist*, 227.

²⁰ To put it in perspective, India is geographically bigger in size than all other six initial SAARC countries put together.

²¹ Prasad, “Prospects for Greater Cooperation in South Asia,” 72.

²² Ibid.

²³ Chaudhury, *SAARC at Crossroads*, 145.

²⁴ Khan, “Security Impediments to Regionalism, 227.

their biggest neighbor.²⁵ Khan argues, “India, in effect, serves as a hub of power to weaker nations, all of which have long-standing problems to resolve with it.”²⁶

Of course, the inter-state dynamics are dominated by the Indo-Pak rivalry. The enduring rivalry between the two members with the highest potential for bilateral trade remains a major issue. Many observers believe that the Indo-Pakistan dynamics have effectively kept the SAARC a hostage in pursuing its objectives of regional prosperity and harmony. The strategic competition between the two biggest countries of the region has been long and protracted with seemingly irreconcilable core issues. Khan asserts, “No regional dispute in contemporary times has involved the investment of so much human and economic capital.”²⁷ Both the countries are focused on increasing its military advantage vis-à-vis the other, thus pulling the region into a vortex of security dilemma. The overt display of their nuclear capabilities has further exacerbated the situation and raised global concerns.

India’s role in promoting regionalism, as the largest country in the region, has arguably been minimal. In effect, India has shown an ambivalent attitude bordering on indifference towards regional integration efforts in South Asia. To make matters worse, many analysts point out India’s highhandedness in dealing with its smaller neighbors as a major impediment in regional cooperation, as the smaller powers in the region feel they are being sidelined to subsidiary roles in regional affairs. In defiance, the smaller countries refuse to recognize India as the regional leader and come up with their own knee-jerk reactions to any Indian attempts at regional dominance. Prasad describes the phenomenon as “anti-Indianism,” which he concedes has always been latent among the elites of India’s neighbors.²⁸

Two factors seem to have fueled Indian indifference towards regionalism. The first involves Indian global ambitions, which make the country feel that it needs the

²⁵ Chaudhury, *SAARC at Crossroads*, 145.

²⁶ Khan, “Security Impediments to Regionalism,” 227.

²⁷ *Ibid.*, 230.

²⁸ Prasad, “Prospects for Greater Cooperation in South Asia,” 71.

world more than it needs South Asia.²⁹ Hence, India sees its national interests better served with interactions with the rest of the world, particularly the richer countries, than with its immediate neighbors. The second factor involves Indian apprehension of regional cooperation as a threat to its national interests. As Rajiv Kumar puts it, “For years, the Indian security and foreign policy establishment viewed SAARC as a mechanism to help its smaller neighbors to compete against it more effectively, thus denying India its rightful place in the regional and global polity and undermining India’s national interests.”³⁰

Mistrust and suspicion among countries in South Asia can also be linked back to the legacy of the region’s colonial past. Many analysts believe that the colonial past has made South Asian countries pre-fixated in the notion of state sovereignty. Anasua Chaudhury explains, “The colonial past of the region and the subsequent partitions of the sub-continent in the wake of the ouster of colonial powers, have left South Asian countries with a ‘somewhat rigid mindset.’”³¹ Such mindset has resulted in pre-fixation on state sovereignty and reluctance to embrace the wider concept of supra-nationalism, which the European Union countries successfully accomplished. For India, the colonial legacy might have had an inadvertent effect, where it views itself as the rightful successor of the British Raj, which obliges it to assume leadership in the region. Saubhagya Shah aptly describes the Indian aspiration towards the inheritance of colonial legacy as “Legacy Raj Syndrome.”³² Thus, in spite of the common colonial history, geographical proximity, and similar social and cultural traits, the new nation-states in South Asia started their journey with mistrust and animosity toward one another, because they saw each other as potential threats to their newfound sovereignty and freedom.³³

²⁹ Sood et al., *Does South Asia Exist?*, 32.

³⁰ Kumar, “Is a Successful SAARC an Imperative for India?” 107.

³¹ Chaudhury, *SAARC at Crossroads*, 143.

³² Saubhagya Shah, “A Himalayan Red Herring?: Maoist Revolution in the Shadow of the Legacy Raj,” in *Himalayan People’s War: Nepal’s Maoist Rebellion*, ed. Michael Hutt (London: Hurst and Co., 2005), 195.

³³ Chaudhury, *SAARC at Crossroads*, 143.

With these mindsets, it seems that the countries of South Asia have become averse to the idea of relinquishing any degree of state sovereignty as a trade-off for regional integration. Chaudhury points out that “to achieve regional integration, the political actors in several distinct national settings are persuaded to shift their loyalties, expectations and political activities toward a new center, whose institutions possess or demand jurisdiction over the pre-existing national states.”³⁴ The European Union was largely successful because it was able to embrace the concept of supra-nationalism by partially surrendering individual national sovereignty, which helped the European Union achieve regional cooperation and emerge as a very unique model of integration.³⁵ In South Asia, this has yet to happen.

The regional dynamics of power asymmetry have adversely affected the role of the SAARC, too. Firstly, the strategic backdrop behind the genesis of the SAARC was different. Unlike other regional organizations that grew largely out of a necessity to counter outside threats, the SAARC was initially conceived as a strategy of smaller countries of the region headed by Bangladesh to counter the growing military strength and influence of India. As Chaudhury asserts, “To offset India’s growing power and influence in the region, smaller countries [of South Asia] came closer and went for setting up of the SAARC.”³⁶ Secondly, the SAARC began its journey with a bumpy start because the two large regional stakeholders, India and Pakistan, were not part of the initial steps of its formation. In their paranoia, both countries found the concept of the SAARC detrimental to their national interests. Chaudhury explains, “The attempt to establish a regional organization in South Asia was perceived by both India and Pakistan to be a handiwork of their respective enemy number one.”³⁷ India’s apprehension is also reflected in the preconditions that New Delhi made for its ascension to the organization, which required that all decisions be unanimous and bilateral issues not be discussed.

³⁴ Ibid., 131.

³⁵ Ibid., 133.

³⁶ Ibid., 61.

³⁷ Ibid., 63.

These provisions have made the decision-making process a problematic affair, resulting in the organization's relegation to a very nominal role.

Despite the setbacks, the prospect of regionalism looks promising in South Asia. The growing realization among South Asian countries about the strategic and economic benefits of regional cooperation, and most importantly, the rise of India in global strategic and economic fronts, are strong indicators to that end. Yet the South Asian countries will have to overcome many hurdles to succeed in the endeavor. Overcoming the omnipresent mistrust and suspicion among each other is a significant challenge. To this end, the role of India will arguably be crucial in determining the future of South Asia. Rafiq Dossani et al. points out that "in most of the successful examples of regionalism, a major regional anchor played an important role in bringing countries together, at least in integration's early days."³⁸ The authors continue, "Germany's leadership was crucial to European regionalism, Indonesia's to the Association of Southeast Asian Nations (ASEAN), and the United States' to the North American Free Trade Agreement (NAFTA)."³⁹ The region's geo-politics strongly suggest that India is the best candidate for the job. As the world's largest democracy and a major economic player, it has the potential and means to lead the region. If India assumes a positive and genial leadership role, it is very likely that other countries of South Asia will join hands in support of regionalism.

D. LITERATURE REVIEW

Due to its growing prominence and importance in global affairs, South Asia has attracted a substantial amount of academic interest into its regional affairs. As a result, academic books and articles analyzing the region have multiplied over the years.⁴⁰ Similarly, there are again a plethora of literatures analyzing regionalism in other parts of the world, such as Europe, Latin America, and South-East Asia. These studies are equally

³⁸ Sood et al., *Does South Asia Exist*, 30

³⁹ Ibid., 31.

⁴⁰ In addition to scholarly literatures, the region also attracts a fair amount of periodic reviews by international organizations such as the World Bank, the International Monetary Fund, the various offices associated with the United Nations, and the SAARC itself.

worthwhile, providing valuable insight into regional experiences as success stories or, in some cases, futile experiences.

I have embarked upon my research work with a cursory look into the theoretical approaches to the concepts of regionalism and regional integration. The theories present many views and conceptual models of regional integration. It seems the models may not be tailor-made to suit all eventualities, and for South Asia, the regional academics and policy makers will have to build on the existing models to suit the region's purpose. A plethora of literatures shares the view that the Indo-centric asymmetrical power balance is essentially sustaining the environment of discord in South Asia. Yet putting all the blame on India may not be completely justified, because other regional actors appear equally responsible for fueling mistrust and suspicion. Many literatures also identify the key role that a hegemonic power can play. In South Asia, it remains to be seen whether India can successfully take up that responsibility. More importantly, it needs to be determined whether India really wants to take the helm in the regional integration efforts. Literatures also emphasize the role of external actors in promoting regionalism. In the South Asian scenario, there seems to be a relative lack of outside interest in this regard, which ironically can be attributed to the inclination of South Asian countries to deal with external powers on individual basis. Literatures have also identified the possible psychological impacts of the colonial past on South Asian countries. These historical analyses are also important in gaining relevant insight into the evolution of regional dynamics in South Asia.

Many scholars have put forth their view on what constitutes regional cooperation and integration. E.B. Haas defines the concept of integration as “forming parts into a whole or creating interdependence.”⁴¹ Haas further explains,

The study of regional integration is concerned with explaining how and why states cease to be wholly sovereign, how and why they voluntarily mingle, merge and mix with their neighbors so as to lose the factual

⁴¹ E.B. Haas, *The Uniting of Europe: Political, Social and Economic Forces* (London: Stevens, 1958), 610.

attributes of sovereignty while acquiring new techniques for resolving conflicts between themselves.⁴²

According to Charles Pentland, “International political integration is a process whereby a group of people, organized initially in two or more independent nation-states, come to constitute a political whole which can be termed as a community.”⁴³ As such, regional integration may encompass political, economic, scientific, military, or any other similar dimensions.⁴⁴

Theorists are divided into two groups in approaching international integration: state and community model. The state-model emphasizes the need to have an overarching constitutional provisions or a superordinate authority for a system to be integrated.⁴⁵ The concept calls for relinquishment of a certain degree of state sovereignty as trade-off for supra-nationality. The community-model “puts more stress on the character of the relationship between the people—both the elite and the general public—in the process of integration.”⁴⁶ This approach is based on the belief that by relying more on the growth of certain common values, perceptions, and habits, nation-states can form a community without relinquishing its sovereign factor.⁴⁷ Regional actors in South Asia have not formally adopted any of the models as described. Yet achieving cooperation through the community-model stands out as more feasible for the region because there is no constraint to state-sovereignty.

The correlation between the Indo-centric asymmetric power structure and the environment of discord in the region is identified in most literatures. According to Feroz Khan, “key factors [that impede regional cooperation and integration] include India’s

⁴² Chaudhury, *SAARC at Crossroads*, 6.

⁴³ Charles Pentland, *International Theory and European Integration* (London: Faber and Faber Limited, 1973), 21.

⁴⁴ Leon N. Lindberg, *The Political Dynamics of European Integration* (Stanford: Princeton University Press, 1971), 10–11.

⁴⁵ Chaudhury, *SAARC at Crossroads*, 3.

⁴⁶ Ibid.

⁴⁷ Ibid.

asymmetric size and power, relative to the other South Asian states.”⁴⁸ On a harsher note, Ummu Salma Bava concludes that “in the absence of an equal other, India is seen as a bully against which the small states rally.”⁴⁹ The Indian preponderance in regional affairs has created debates over the role of India and her relationship with her surrounding states, and how the interaction between them is fraught with mistrust and suspicion. The prospect of regional integration looks bleak because the security situation is exacerbated when the smaller powers seek to defy Indian leadership. In his book *Regionalism in South Asia: Negotiating Cooperation, Institutional Structures*, Kishore C. Dash suggests that the reluctance of other South Asian countries to recognize India as the leader of the region is one of the causes behind the failure of regional integration in South Asia.⁵⁰

A number of literatures discuss the role of a benevolent hegemonic power in promoting regionalism. Kishore C. Dash suggests that a region can experience an enhanced level of regionalism with the presence of a benevolent hegemonic power vis-à-vis sans one.⁵¹ The argument behind such an assertion is that the benevolent hegemon can serve as an institutional focal point in the coordination of rules and policies. On the other hand, “absence of hegemonic leadership leads to coordination dilemma and can make coordination a problematic affair.”⁵² This leads to the question of whether India is ready to assume the leadership role as a benevolent hegemon and, more importantly, whether other countries of the region are willing to accept Indian leadership.

In this context, India’s role as potential hegemonic power in South Asia remains a matter of scrutiny and debate. While conceding that India’s role is crucial to the region, Feroz Khan points out that India’s priority lies in leveraging its growing economic and military strength to achieve regional political dominance. On a positive note, he also reasons that “India’s centrality is probably inevitable. Properly used, the power implied

⁴⁸ Khan, “Security Impediments to Regionalism,” 227.

⁴⁹ Ummu Salma Bava, “Regional Integration: Lessons for South Asia from around the World,” in *Does South Asia Exist*, 50.

⁵⁰ Kishore C. Dash, *Regionalism in South Asia: Negotiating Cooperation, Institutional Structures* (New York: Routledge, 2008).

⁵¹ Dash, *Regionalism in South Asia*, 110.

⁵² Ibid.

by India's position can be a strong and positive force for development."⁵³ Ummu Bava points out India can play a positive and constructive role in the region's betterment by "capitalizing on the asymmetry to leverage a new political identity that is based on power of vision, not size."⁵⁴ She further asserts, "Geographically, India is the region's pivotal state. It is also the anchor of democracy. As such, it should reach out to its neighbors and engage them on the basis of non-reciprocity of action to construct a greater unity."⁵⁵ This school of thought is also reflected in the contributing works of Kanti Bajpai and Pervaiz Iqbal Cheema in *The Dynamics of South Asia: Regional Cooperation and SAARC*. They take an optimistic view for regionalism in South Asia, which they attribute to India's growing realization of the importance of regional cooperation, and a gradual decline in its apprehension towards regionalism.⁵⁶ They make the case that both India and other countries should incorporate a change in attitudes towards each other. India should learn to play a more generous role, and her neighbors have to understand that "unreasonable demands cannot be justified by harping on asymmetry."⁵⁷

In addition to India's potential role, regionalism arguably failed to gain momentum in South Asia due to the relative lack of outside interest in the region, especially from the United States. Literatures on the European Union (EU) fundamentally point out that apart from the historical, political, and economic imperatives that helped foster the European Union, the role of the United States was crucial in giving impetus to the nascent organization in Western Europe. William Wallace points out in *Regional Integration: The West European Experience* that "the role of the United States as external hegemon and security guarantor was a crucial factor in the evolution of the European Community (EC)."⁵⁸ He explains that in the aftermath of the Second World War, "U.S.

⁵³ Khan, "Security Impediments to Regionalism," 236.

⁵⁴ Bava, "Regional Integration: Lessons for South Asia from around the World," in *Does South Asia Exist*, 50.

⁵⁵ Ibid.

⁵⁶ Eric Gonsalves and Nancy Jetly, eds., *The Dynamics of South Asia: Regional Cooperation and SAARC* (New Delhi: Sage Publications, 1999).

⁵⁷ Ibid., 12.

⁵⁸ William Wallace, *Regional Integration: The West European Experience* (Washington, D.C.: Brookings Institutions, 1994), 8.

interests helped to contain Germany, the potential regional hegemon, which in turn boosted confidence of European countries especially France to build relationship with the then Federal Germany that became a driving force in European Integration.”⁵⁹ How can South Asia generate sufficient outside interest as a regional entity is not clearly defined in most literatures. However, it can be discerned that the lack of outside interest is due to India’s aversion towards outside intervention in South Asian affairs and other countries’ inability to forge a collective agenda to present to the more influential outside world.

Scholarly analyses also focus on the fixation of South Asian countries in the politics of sovereignty in the Westphalian sense of statehood,⁶⁰ which has so far overshadowed the well-endowed politics of supra-nationalism in South Asia. Literatures on regional integration of the European Union suggest that that for regionalism to succeed and prosper, constituent nation-states should be flexible and prepared to compromise at least in part on state sovereignty. Ummu Bava points out that “in Europe the integration efforts sought to write a new history for the region that expanded notions of state sovereignty and borders, and proposed to share or pool sovereignty.”⁶¹ Some analysts attribute the South Asian reticence to shed sovereignty to the region’s colonial past. Anasau Chaduhary points out that “the nation-building process and the concomitant national security perspective in the post-colonial era have shaped the concept of sovereignty in [South Asia] in a peculiar manner which seems to be antithetical to the concept of supra-nationality.”⁶² Chaudhary further highlights that “the colonial past of the region and the disputes emerging mainly out of the past have clouded the vision of cooperation in the region.”⁶³

Literatures on South Asia also suggest that provisions in the SAARC’s charter, which prohibit discussions on bilateral issues and require all decisions to be unanimous,

⁵⁹ Wallace, *Regional Integration: The West European Experience*, 8.

⁶⁰ The concept of Westphalian sovereignty recognizes that all nation-states have sovereignty over their territory, with no role for external agents in domestic structures. The concept came into being after the “Peace of Westphalia” treaty was signed in 1648, which ended the Thirty Years’ War in Europe.

⁶¹ Bava, “Regional Integration: Lessons for South Asia,” in *Does South Asia Exist*, 41.

⁶² Chaudhury, *SAARC at Crossroads*, 148.

⁶³ Ibid.

have relegated the organization to an ineffective and nominal role. As described previously, these provisions were ratified due to the unavoidable circumstances that the nascent organization faced in its initial phases. Over the years, its self-imposed restraint of precluding bilateral contentious issues has inadvertently created obstacles for the SAARC to grow and become more relevant. As inter-state disputes remain extant, the relevancy of the SAARC becomes an issue. Ross Masood Hussain points out that the “SAARC is being hard put to avoiding consideration of vital regional political and strategic questions as the organization possesses greater potential for defusing tensions and generating political goodwill in South Asia.”⁶⁴

In relating the decision-making process in the SAARC with the EU and ASEAN, Chaudhary acknowledges that the SAARC’s practice of unanimity differs from the latter organizations. She explains that decision-making in ASEAN forum is guided by the practice of *Musyawarah* (consultation) and *Muafakat* (consensus).⁶⁵ In the EU, the organization has come up with an ingenious method of majority voting, which has made the decision-making process much simpler and smoother. However, Chaudhary points out that the EU’s adoption of the method only came after going through its own spate of frustration as it had also initially imposed unanimity in decision-making process.⁶⁶ Although it becomes evident that the current SAARC practice of decision-making is inefficient, it is unclear how the SAARC can overcome the dilemma of its decision-making process. Because other regional counterparts were finally able to agree on a mechanism that works relatively well and suits the interest of all stakeholders, the SAARC should try to work out a more suitable mechanism, too. But again, the answer lies in the willingness of regional actors, especially India, to show the initiative.

⁶⁴ Ross Masood Hussain, “SAARC 1985–1995: A Review and Analysis of Progress,” in *The Dynamics of South Asia: Regional Cooperation and SAARC*, 35.

⁶⁵ Chaudhury, *SAARC at Crossroads*, 74.

⁶⁶ *Ibid.*, 80.

E. METHODS AND SOURCES

I intend to employ a combination of historical and comparative approach to analyze the proposed research question. The regional dynamics that we find in South Asia are, to a large extent, the outcome of the legacy of the colonial past and subsequent geo-politics of the region. As such, South Asian countries have developed a distinctive mindset that takes its roots from its colonial past. A penchant for nationalism and sovereignty are key attributes of the mindset. A broad understanding of the historical imperatives will help understand the evolution of psychologies of the countries in the region over time, driven by geo-strategic circumstances. I draw on the findings to gain a clearer perspective on the failure of regionalism in South Asia. More precisely, I focus on how the asymmetrical power structure is manifested in the region and how the power balance has affected the inter-state relationships among South Asian countries. From a historical perspective, I also delve into the geo-strategic circumstances that led to the genesis of the SAARC and how the nascent organization evolved into the asymmetric environment. I utilize the findings to examine the prospect of regionalism in South Asia and draw relevant policy recommendations in this regard.

While drawing recommendations, I also use a comparative analysis of regional experiences of the European Union and, closer to home, the ASEAN. In comparison with these two regional entities, I illustrate that their relative successes can be attributed to a different geo-strategic circumstances in which they were not constrained by a need to balance an inherent asymmetrical power balance. The comparative study is also useful in drawing relevant lessons, structures, or models that South Asia can emulate.

I mostly base my research on the sources outlined in the literature review section of this proposal. Additionally, in order to keep my research current, I also include recent periodicals, journals, and other publications that deal with relevant issues.

F. THESIS OVERVIEW

The thesis is divided into five parts. The opening chapter sets in context the scope of the study by presenting the contextual background, the research questions, the literature review, and the hypotheses. The second chapter delves into the nature of

asymmetrical power balance in South Asia, its evolution, and its implications on the regional dynamics. The chapter shows that the prevalence of an Indo-centric power balance is the primary source of discord in the region, which has resulted in conflicting relationships among South Asian countries. The findings of the chapter provide the context for the third chapter, which analyzes how the asymmetrical power structure affected the evolution process of the SAARC. The chapter demonstrates that the self-imposed provisions of unanimity in decision-making and exclusion of bilateral contentious issues has limited the SAARC's role as a regional organization. The fourth chapter constitutes a comparative analysis of regional integration process of the EU and ASEAN. Besides drawing some relevant lessons from the two relatively successful models of regional integration, the chapter also notes that the two regional entities could succeed compared to SAARC because they are not constrained by an asymmetrical power structure as one finds in South Asia. Finally, in the fifth and the final chapter, the thesis draws conclusions from the findings and attempts to present policy recommendations for SAARC members to boost regional cooperation in South Asia.

II. ASYMMETRICAL POWER BALANCE AND ITS IMPLICATIONS FOR INTER-STATE RELATIONSHIPS IN SOUTH ASIA

In South Asia, geopolitical imperatives hold precedence in regional affairs over economic or social imperatives.⁶⁷ In this context, this chapter discusses the emergence of India as a dominant power in South Asia and its implications on regionalism. The chapter begins with a brief overview of South Asia as a region. It then discusses the evolution of power asymmetry in post-colonial South Asia, owing to a huge disparity in size and resources between India and other South Asian countries. The chapter argues that in such a geopolitical setting, India aspired for a predominant role in the region, considering itself the rightful heir to the British Raj. The chapter then discusses the implications of the power asymmetry on inter-state relationships between India and its neighbors. The chapter shows that contradiction between India's aspiration for regional leadership and the reluctance of the smaller powers to accept Indian hegemony has resulted in conflicting relationships between India and all its neighbors. The chapter then draws implications on the prospects of regionalism. It argues that the extant bilateral disputes between India and its neighbors have adversely affected the drive towards regionalism. The chapter also notes that the blame cannot be put entirely on India alone as Pakistan's non-cooperation in this regard has also proved to be an important setback.

A. SOUTH ASIA: A REGIONAL PERSPECTIVE

The concept of South Asia as a region is relatively recent. The region found its first formal expression as an entity when seven South Asian countries came together in 1985 to establish the South Asian Association for Regional Cooperation (SAARC), aiming to address issues of peace and development. The SAARC was the first institutionalized effort to promote regionalism in South Asia. The initial seven members of the SAARC were Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka; Afghanistan joined as the eighth member in 2007.

⁶⁷ Prasad, "Prospects for Greater Cooperation in South Asia," 64.

South Asia as a region displays two important characteristics.⁶⁸ First, it is largely Indo-centric in character, because India is central to it both geographically and in terms of socio-cultural continuities and infrastructure. India shares common land and maritime borders with every SAARC member except Afghanistan. These other countries, individually and separately, have more in common with India than with each other. The second characteristic of the region is an asymmetric power structure that manifests in huge disparities in terms of size and resources between India vis-à-vis other SAARC countries. According to S.D. Muni, “India enjoys a dominant status in the region, not only due to its sheer size and population, but also in terms of natural resources, technological know-how, and economic and military strength, thus making it far superior to any one of its neighbors, or even to all of them put together.”⁶⁹

B. EVOLUTION OF REGIONAL POWER ASYMMETRY

After the departure of the British from the Indian sub-continent in 1947, India inevitably emerged as the dominant power in the region by virtue of its size, location, and economic and military strength. With considerable disparity in economic and military resources between India and the other countries in the region, an asymmetrical power balance was thus inadvertently created. With the newfound glory, it was hardly surprising that the Indian ruling elite inherited the perception that India should rightfully assume leadership in the region.

In fact, India’s aspiration for a predominant role in the region can be traced back to historical and psychological factors. A. K. M. Sabur notes, “Since the ancient time, India, particularly its Hindi heartland, has been the center of power in South Asia, which dominated the peripheries. For about more than a millennium, Delhi was the center of power except for the initial period of the British rule when Kolkata (also in India) was the capital.”⁷⁰ Sabur points out that Indians still remember the heyday of the Indian empire

⁶⁸ S. D. Muni, “South Asia,” in *Conflict and Intervention in the Third World*, ed. Mohammed Ayoob (London: Croom Helm Ltd., 1980), 39.

⁶⁹ Ibid.

⁷⁰ A. K. M. Sabur, “The Challenge of CBMs in South Asia: A Bangladeshi Perspective,” in *The Challenge of Confidence-Building in South Asia*, ed. Moonis Ahmar (New Delhi: Har-Anand Publications, 2001), 139.

with a great deal of nostalgia, and the sentiment is shared even by Indians with a considerably moderate view towards Indian leadership role in the region.⁷¹

The nostalgic fervor for Indian greatness gained prominence in the post-colonial period. In the aftermath of the colonial period, India regarded itself as the “successor state” to the British Raj and perceived themselves as the rightful heir to rights and privileges the British used to enjoy.⁷² India inherited the British geo-strategic thinking, which embraced the whole of the Indian sub-continent into its security umbrella, extending up to Tibet and Afghanistan, and included command of the Indian Ocean.⁷³ With the strategic mindset, India largely perceived itself as the incumbent custodian of the security of the Indian sub-continent and with a destiny to play a major role in regional and world affairs commensurate with its geographical placement, historical experience, and power potential.⁷⁴

Many observers believe that this strategic thinking has remained the cornerstone of Indian security perceptions for most parts of the post-colonial period. Sabur points out that the perception was reflected in the *India Doctrine* that was promulgated during the prime-minister ship of Indira Gandhi in the 1980s.⁷⁵ He further argues that the doctrine can be regarded as a South Asian version of the *Monroe Doctrine*,⁷⁶ “wherein India views the entire region as single strategic unit and herself as its sole custodian of security and stability.”⁷⁷ According to C. K. Lal, “[The] doctrine claimed India’s pre-eminent right to intervene in the internal affairs of neighboring countries if disorder threatened to

⁷¹ Sabur, “The Challenge of CBMs in South Asia, 139.

⁷² Ibid., 140.

⁷³ S. U. Kodiara, “Regional Roles and Behavior in South Asia: A Theoretical Framework of Regional Cooperation,” in *Regional Co-operation and Development in South Asia*, 34.

⁷⁴ S. D. Muni, “South Asia,” in *Conflict and Intervention in the Third World*, ed. Mohammed Ayoob (London: Croom Helm Ltd, 1980), 47.

⁷⁵ Sabur, “The Challenge of CBMs in South Asia,” 140.

⁷⁶ The Monroe Doctrine, named after President James Monroe, who espoused the policy in 1850, was a U.S. foreign policy that sought to establish U.S. hegemony in the American hemisphere by preventing efforts by European nations to colonize land or interfere with states in North or South America. It stated that any such acts by European powers would be viewed as acts of aggression, requiring U.S. intervention.

⁷⁷ Sabur, “The Challenge of CBMs in South Asia,” 140.

extend beyond national boundaries.”⁷⁸ Feroz Khan adds, “This school of thought asks that India maintain a dominant posture and assertive policy towards its neighbors.”⁷⁹

Consequently, Indian strategic thinking in South Asia was conditioned by the following three assumptions that reflected their hegemonic aspiration:⁸⁰ Firstly, India’s desired objective is to maintain the territorial status quo in the region based on the principle of peaceful coexistence. India should be perceived as a benevolent giant with a role similar to that of the United States in the American hemisphere. Secondly, the smaller powers of South Asia should accept the Indian perspective and the subsidiary roles implicitly assigned to them by the aspiring hegemon. Non-acceptance of this assigned secondary role would be perceived “obstacles” to be overcome by diplomacy or even military pressure. Finally, India must seek to limit or offset the potential political and military interventionist policies of the external powers in the South Asian region through international diplomacy and, if necessary, by purchasing arms from one or more of the great powers.⁸¹

With the strategic mindset, many observers believe that India has resorted to measures that can be compared to coercive diplomacy or strategic coercion in dealing with its neighbors. Strategic coercion refers to the “deliberate and purposive” use of threats to “influence another’s strategic choices” in inter-state relations.⁸² Indian actions, such as the gradual integration of the erstwhile princely states; the forcible absorption of Hyderabad, Kashmir, and Goa; the annexation of Sikkim; the imposed protectorate over Bhutan; a dominant presence in Nepal and Bangladesh; and finally the humbling of Pakistan can be regarded as coercive measures.⁸³ In the case of Sikkim, a treaty

⁷⁸ C. K. Lal, “From Nehru Creed to Indira Doctrine,” *Himal South Asian*, February 2009, <http://old.himalmag.com/himal-feed/60/442-from-nehru-creed-to-indira-doctrine.html>.

⁷⁹ Khan, “Security Impediments to Regionalism in South Asia,” in *Does South Asia Exist*, 228.

⁸⁰ Shrikant Paranjpe and Raju G. C. Thomas, “India and South Asia: Resolving the Problems of Regional Dominance and Diversity,” in *Regional Hegemons: Threat Perception and Strategic Response*, ed. David J. Myers (Boulder, CO: Westview Press Inc., 1991), 168.

⁸¹ Paranjpe and Thomas, “India and South Asia,” 168.

⁸² Lawrence Freedman, “Strategic Coercion,” in *Strategic Coercion: Concepts and Cases*, ed. Lawrence Freedman (Oxford: Oxford University Press, 1998), 15.

⁸³ Lawrence Ziring, ed., *The Subcontinent in World Politics: India, Its Neighbors and the Great Powers* (New York: Praeger, 1978), 198.

concluded in 1950 turned the small erstwhile independent state in the eastern Himalayas into an Indian “protectorate.” Interestingly, twenty-five years after signing the treaty, India annexed it through a two-stage process of destabilization and military occupation.⁸⁴ In the case of Bhutan, a similar treaty obliged the small Himalayan state to be “guided” by India on foreign affairs and defense.⁸⁵

Interestingly, India has also at times adopted the strategy of developing conciliatory relationship with its neighbors. Khan points out that “in the post–Cold War era, India has been both conciliatory and aggressive.”⁸⁶ When the policy makers in New Delhi realized that the aggressive regional posture adopted by India in the 1980s was largely counterproductive, they felt the need to replace their doctrine with a more moderate one. The enunciation of *Gujral Doctrine* by the then-Indian prime minister I. K. Gujral in 1997 marked a significant departure of the dominant and assertive policy of the erstwhile *India Doctrine* towards a more conciliatory Indian posture in the region. Based on non-reciprocity, the new doctrine aimed at generating mutual trust and confidence in the region.⁸⁷ Khan notes, “The doctrine prompted India’s most conciliatory stance and notably improved relations with Sri Lanka, Bangladesh, and Pakistan.”⁸⁸ Despite these positive developments, it can be argued that mistrust among SAARC members remains extant because of the perceived inconsistency in India’s foreign policies. As Sabur points out, “Recent changes in the Indian attitude towards the neighbors still remain short of assuaging the suspicion of smaller South Asian countries to their big neighbor.”⁸⁹

C. IMPLICATIONS ON INTERSTATE RELATIONS

As a result of the asymmetrical power balance, one finds varying degrees of conflict and cooperation in interstate relationships among the constituent states of South Asia. Central to this fluctuating pattern of conflict and cooperation remains the role of

⁸⁴ Shah, “A Himalayan Red Herring,” 198.

⁸⁵ Ibid.

⁸⁶ Khan, “Security Impediments to Regionalism in South Asia,” 228.

⁸⁷ Sabur, “The Challenge of CBMs in South Asia,” 143.

⁸⁸ Khan, “Security Impediments to Regionalism in South Asia,” 228.

⁸⁹ Sabur, “The Challenge of CBMs in South Asia,” 145.

India as a dominant power. It is interesting that the region has witnessed several crises, sometimes bordering on military conflicts between India and nearly all of its neighbors. Of course, the inter-state dynamics are dominated by the enduring nature of conflict between India and Pakistan. However, the hostility and suspicion that characterizes Indo-Pakistan relations are reflected, albeit to a lesser degree, in India's relations with all other South Asian countries.

1. India-Pakistan Relations

Among all the inter-state dynamics in South Asia, the most pervasive is the India-Pakistan conflict. Rooted in seemingly intractable issues, many observers believe that the India-Pakistan conflict has become an epitome of enduring rivalry. Since their creation as independent states on 15 August 1947, in the wake of the partition of the Indian subcontinent, the two countries have fought four major wars and countless border skirmishes, some even bordering on nuclear showdowns. Few other conflicts in the post-World War II era, with the possible exception of the Arab-Israeli dispute, have proved as intractable.⁹⁰

The narrative of the two-nation theory based on Muslim and Hindu nationalism that led to the partition of the Indian sub-continent proved to be an important instigator of the enduring rivalry between India and Pakistan. Pakistani nationalism was based on a Muslim communalist and separatist discourse of power that underlined the significance of Muslim identity in a predominantly Hindu India.⁹¹ On the other hand, the same form of nationalism did not take root in India. Instead of a primordial need for a distinctive identity, India was conceived as a secular state with a strong sense of national identity that was forged through the crucible of the struggle for independence.⁹² Thus, Pakistani nationalism tended to be exclusive in nature, whereas Indian nationalism professed to be inclusive. These contradictions would prove to be a strong base for an enduring rivalry

⁹⁰ Sumit Ganguly, *Conflict Unending: India-Pakistan Tensions since 1947* (New Delhi: Oxford University Press, 2001), 1.

⁹¹ Vali Nasr, "National Identities and the India-Pakistan Conflict," in *The India-Pakistan Conflict: An Enduring Rivalry*, ed. T. V. Paul (Cambridge: Cambridge University Press, 2005), 179.

⁹² Nasr, "National Identities and the India-Pakistan Conflict," 192.

between the two countries. As Citha D. Maass points out, “The ideological antagonism turned into a conflictual bilateral factor because of its subsequent instrumentalisation by both countries in their domestic politics and foreign policies.”⁹³

The embodiment of conflicting ideologies by Pakistan and India in the course of partition eventually manifested itself in a mutually competitive and antagonistic attitude. The Kashmir issue stands out as a prominent manifestation of the diametrically opposed ideology between the two countries. As Khan explains, “Jammu and Kashmir remain at the heart of the bitter rivalry and strategic competition between India and Pakistan.”⁹⁴ Pakistan views Kashmiri identity as an extension of Pakistani identity, a component of the discourse that produced Pakistan, whereas India views it as an extension of its own over-encompassing secular identity. According to Khan, “Pakistan, which was formed on the basis of protecting the rights of south Asian Muslims, sees the absorption of Kashmir as a national duty.”⁹⁵ Nasr succinctly puts the Pakistani view of Kashmir as “the unfinished last chapter of partition.”⁹⁶ Conversely, India vehemently feels that giving up on Kashmir would prove its non-commitment to the country’s fundamental ideology of inclusiveness and secularism.

These diametrically opposed schools of thought that dominate India-Pakistan relations have made confidence-building measures in South Asia a problematic affair. As result of the seemingly irreconcilable nature of Indo-Pakistan disputes, the two countries have resorted to a diverse range of measures in order to offset strategic and operational advantages vis-à-vis each other. Khan points out that “the two states have focused on both internal balancing (modernizing their armed forces and going nuclear) and external

⁹³ Citha D. Maass, “South Asia: Drawn between Cooperation and Conflict,” in *The Dynamics of South Asia: Regional Cooperation and SAARC*, ed. Eric Gonsalves and Nancy Jetly (New Delhi: Sage Publications, 1999), 51.

⁹⁴ Khan, “Security Impediments to Regionalism in South Asia,” 230.

⁹⁵ Ibid., 236.

⁹⁶ Nasr, “National Identities and the India-Pakistan Conflict,” 190.

balancing (that is, forging alliances or “‘treaties of friendship’ with great powers.”)⁹⁷ The measures thus adopted have pulled the region into the vortex of security dilemma.⁹⁸

An alarming consequence of the security dilemma in South Asia has been the overt introduction of nuclear dimension in the Indo-Pakistan conflict. India overtly performed its first nuclear weapon test in May 1998, which was promptly followed by a Pakistani test just two weeks later. With the acquisition of nuclear capabilities by the two arch-rivals in the region, South Asia has inadvertently become a potential nuclear flashpoint.

The two adversaries’ acquisition of nuclear capabilities has arguably further aggravated the security dilemma. India has tried to come up with newer strategies, such as the “Cold Start” doctrine, which is designed to allow rapid but shallower attacks in multiple fronts by the Indian military just enough to punish any Pakistani ventures into Indian soil but stopping short before crossing the Pakistani nuclear threshold.⁹⁹ To this new Indian strategy, Pakistan’s answer has been to introduce tactical nuclear weapons into the battlefield.

The implication of power asymmetry between India and Pakistan becomes more serious with Pakistan’s reliance on non-state and proxy actors to offset its strategic disadvantage vis-à-vis India’s huge conventional military capabilities. Pakistan’s use of militancy to promote its national interests is in essence an important part of Pakistan’s grand strategy resulting from “the state’s acute material and political weakness.”¹⁰⁰ Sumit Ganguly and Paul Kapur explain that “once adopted, the militant strategy became a central component of Pakistani security policy, its sophistication and importance increasing with each subsequent conflict.”¹⁰¹ Khan also points out that “the Kashmiri

⁹⁷ Khan, “Security Impediments to Regionalism in South Asia,” 229.

⁹⁸ The security dilemma happens when a country’s quest for security measures to offset the security gains of its adversary prompts the latter to gather more security measures, thus leaving the former state even worse off.

⁹⁹ Sumit Ganguly and S. Paul Kapur, *India, Pakistan and the Bomb: Debating Nuclear Stability in South Asia* (New York: Columbia University Press, 2010), 76.

¹⁰⁰ Sumit Ganguly and Paul Kapur, “The Jihadi Paradox: Pakistan and Islamist Militancy in South Asia,” *International Security* 37, no. 1 (Summer 2012): 114.

¹⁰¹ *Ibid.*

insurgency relied primarily on Pakistan, which since 1994, had also been supporting the Taliban insurgency in Afghanistan, and enabling demobilized warriors from Afghanistan to join the Kashmiri insurgents. The strategy of fueling a low-intensity war has tied down several hundred thousand Indian forces in Kashmir in a protracted counterinsurgency.”¹⁰² Meanwhile, the situation gets complicated as India also allegedly gets embroiled in supporting proxy actors against Pakistan. As Khan points out, “For the past several years, Pakistan is alleging India’s complicity from Afghanistan in a rising insurgency in Pakistan’s Baluchistan Province.”¹⁰³

It is difficult to foresee improved Indo-Pakistan relations as long as the latter continues its strategy to use proxy actors to further its cause. The situation becomes more alarming when it appears that the strategy to use non-state and proxy actors has seemingly backfired. Ganguly and Kapur explain that, “notwithstanding impressive domestic and international successes, recently, Pakistan has begun to suffer from a “jihadi paradox”; the very conditions that made Pakistan’s militant policy useful in the past now make it extremely dangerous.”¹⁰⁴ The main reasons behind the backfiring of the strategy can be attributed to the dwindling control of Pakistan over the various militant groups that it supports and the ever broadening scope of the militant groups. As Ganguly and Kapur point out, “Militant organizations have refused to subordinate their interests to Pakistan’s broader strategic imperatives. [They] have also adopted far more ambitious goals than those of the Pakistani government.”¹⁰⁵ The duo maintains that, in order to avoid a catastrophe, Pakistan must realize that the militant strategy has become a liability and unequivocally end its support for militancy. Of course, India has to support this Pakistani move by facilitating efforts to reduce its military pressures on Pakistan.¹⁰⁶ Considering the track records of both countries, it appears that the possibility of a solution along these lines remains distant.

¹⁰² Khan, “Security Impediments to Regionalism in South Asia,” 231.

¹⁰³ Ibid.

¹⁰⁴ Ganguly and Kapur, “The Jihadi Paradox,” 114.

¹⁰⁵ Ibid., 135.

¹⁰⁶ Ibid., 115.

2. India-Bangladesh Relations

India's role in the liberation of Bangladesh in 1971 from erstwhile West Pakistan meant that the two countries started on a strong footing in its bilateral relations. The ties between the two countries remained strong during the presidency of Sheikh Mujibur Rahman, the founder of the nascent state. However, after the assassination of President Rahman in 1975, subsequent Bangladeshi leaderships gradually sought to decrease what they presumed to be an overwhelming Indian influence into its affairs by diversifying its contacts with other major powers like the United States, China, and Pakistan. It is ironic that, although Bangladesh recognized the geopolitical centrality of India in the region and India's contribution in the country's liberation struggle, the same conditions have made Bangladesh nurture a growing suspicion and fear of Indian domination and control in the future.¹⁰⁷ As a consequence, Bangladesh sought to reinforce its separate identity and newly acquired nationhood by resisting Indian overtures.¹⁰⁸

Furthermore, many contentious issues continue to impair the relations between India and Bangladesh, which the Bangladeshis invariably attribute to Indian intransigence. Indian reluctance to ratify the 1974 Indira-Mujib Land Boundary Agreement between the two countries, which Bangladesh has ratified, remains a primary bone of contention. Similarly, Bangladesh views India's plan to establish a transit route to the seven isolated Northeastern states of India that lie adjacent to Indo-Bangladesh boundary with apprehension. Bangladesh believes that the Indian plan is detrimental to its security interests. For its part, India alleges that Bangladesh is allowing the latter's territory to be used as training camps for Indian insurgents from the Northeast. Taking the Indian allegation a step further, Feroz Khan notes that "India has accused Bangladesh of conniving with Pakistan to destabilize India's northeast."¹⁰⁹ On its part, Bangladesh views this Indian allegation only as a pretext to target its country.¹¹⁰ In

¹⁰⁷ Paranjpe and Thomas, "India and South Asia," 170.

¹⁰⁸ Ibid.

¹⁰⁹ Khan, "Security Impediments to Regionalism in South Asia," 231.

¹¹⁰ Mohammad Humayun Kabir, "Bangladesh-India Relations: Recent Trends," in *Comprehensive Security in South Asia*, eds. Dev Raj Dahal and Nischal Nath Pandey (New Delhi: Manohar, 2005), 91–100.

response to New Delhi's pressures on those issues, Bangladesh has shown its defiance by refusing the transit of natural gas exports from the region.¹¹¹ Furthermore, the issue of Bangladeshi migrants to India remains a major irritant in the two countries bilateral relations. As Khan explains, "Growing illegal immigration and cross-border movements into India have also raised tensions between the two SAARC neighbors."¹¹²

3. India-Nepal Relations

Despite the historical and cultural ties that India enjoys with Nepal due to the latter's pre-dominantly Hindu populations, Indo-Nepal relations are also plagued by mistrust of Indian motives. Nepal's perception of India as a dominant neighbor changes with the system of government in the country. However, it appears that there is a general consensus among all the political forces in Nepal that the country needs to be wary of Indian motives so as not to succumb to the latter's interests. A primary bone of contention is the 1950 Peace and Friendship Treaty, which New Delhi sees as the framework of its relations with Nepal, but which Kathmandu considers as already having outlived its utility.¹¹³ Nepal feels the treaty provides India considerable leverage in influencing in its security and economic matters. Nepal's apprehension was solidified when India used the treaty as basis for imposing an economic blockade in 1989 in the pretext that Nepal violated the norms of the treaty by acquiring arms from China. Nepal's anxiety over India's intentions is further raised when successive Indian governments have downplayed Nepal's repeated plea to re-examine the treaty. All the talks in this regard so far have stalled only after a few rounds of negotiations.

Furthermore, the intermittent use of the "China Card," or seeking help from China over India, remains a major irritant for India. Christian Wagner points out, "There were also tensions in the close [Indo-Nepal] bilateral relationship, which forced [erstwhile]

¹¹¹ Khan, "Security Impediments to Regionalism in South Asia," 231.

¹¹² Ibid.

¹¹³ Sridhar K. Khatri, "Nepal in the International System: The Limits of Power of a Small State," in *The Political Economy of a Small State*, ed. Ananda Aditya (Kathmandu: NEFAS, 1998), 5–24.

Nepalese kings and governments to attempt to establish closer relations with China in order to circumvent India's influence."¹¹⁴

4. India-Sri Lanka Relations

Indian adventurisms that led to military intervention in Sri Lanka has helped foster a heightened threat perception in the country vis-à-vis Indian motives. These perceptions have been reflected by many Sri Lankan leaders. Leaders like John Kotelawala were most vocal in this regard and expressed fear that Nehru's ambition was dominating smaller countries in the region. The prime minister duo, SWRD Bandaranaike and his wife Sirimavo Bandaranaike repudiated Sri Lanka's fear of Indian aggression but remained vigilant of the Indian factor in the island's security.¹¹⁵ President J. R. Jayawardene took a more practical approach towards India, and despite the unauthorized airdrop of supplies to the Tamil insurgents in 1987, he welcomed the Indian offer to provide Indian Peace Keeping Force (IPKF) to the country in fighting the growing Tamil secessionist insurgency that threatened to engulf the island country.¹¹⁶ His successor, Ranasinghe Premadasa, was less inclined to believe in Indian benevolence and deliberately stayed away from the country during the signing of the Indo-Sri Lanka peace accord in 1987 and later asked the IPKF to leave Sri Lanka during his presidency.¹¹⁷

5. India-Afghanistan Relationship

The accession of Afghanistan into the SAARC forum has further raised security concerns and debates in the region. With Afghanistan, India traditionally has had good relations. However, this nexus may not have positive implications in the drive for regional cooperation because the good relations can be largely attributed to "their historic and common rivalry against Pakistan."¹¹⁸ The dispute between Afghanistan and Pakistan

¹¹⁴ Wagner, *Security Cooperation in South Asia*: 11.

¹¹⁵ P. Sahadevan, "Security of Sri Lanka: Concerns, Approaches and Alternatives," in *Comprehensive Security in South Asia*, ed. Dipankar Banerjee, (New Delhi: IPCS, 1998), 167–70.

¹¹⁶ Paranjpe and Thomas, "India and South Asia," 181.

¹¹⁷ Ibid.

¹¹⁸ Wagner, "Security Cooperation in South Asia," 10.

goes back to 1893 when the British created the 1600-mile Durand Line as a buffer between their imperial holdings and Czarist Russia. Now the border between the two countries, the Durand Line remains a major bone of contention in their bi-lateral relations as Afghanistan refuses to accept the demarcation.¹¹⁹ Furthermore, Kabul even refused to recognize the newly independent Pakistan. As Christian Wagner explains, “Afghanistan was the only country to vote against Pakistan’s accession to the United Nations [in 1947] and has still not recognized the Durand Line as an international border.”¹²⁰ Moreover, Afghan claim to Baluchistan and the North West Frontier Province (NWFP) remains a major irritant in their relations with Pakistan.

The security situation gets worsened as both India and Pakistan compete for influence over Afghanistan. Pakistan’s intervention in Afghani affairs appears to be driven not only by the former’s interests in the latter’s country, but also to pursue its interests in Kashmir.¹²¹ As Kapur and Ganguly explain, “The Afghan conflict would thus serve as a ‘smokescreen’ behind which Pakistan could wage a renewed militant campaign in Kashmir. Indeed, Zia reportedly referred in private to the war in Afghanistan as ‘the Kashmir jihad.’¹²² In the same vein, Wagener points out, “Pakistan has used the conflict with India to legitimize its intervention in Afghanistan and its support for the Taliban in the 1990s. Therefore, the Afghan civil war in the 1990s was also a proxy war between India and Pakistan.”¹²³

For its part, India has strived to exert influence in Afghanistan both through military and economic assistance. Wagener notes, “After the international community intervened in 2001, India became the biggest non-Western donor in Afghanistan and has invested more than US\$ 1 billion since then.”¹²⁴ He further points out, “In October 2011 India and Afghanistan signed a strategic partnership agreement, which is the basis for the

¹¹⁹ Khan, “Security Impediments to Regionalism in South Asia,” 232.

¹²⁰ Wagner, “Security Cooperation in South Asia,” 10.

¹²¹ Kapur and Ganguly, “The Jihadi Paradox,” 124.

¹²² Ibid., 125.

¹²³ Wagner, “Security Cooperation in South Asia,” 10.

¹²⁴ Ibid., 11.

military cooperation between the Indian Army and the Afghan Security Forces (ASF).”¹²⁵

Thus, Afghanistan’s accession in the SAARC equation appears to have further complicated the already fragile security dynamics in the region. As Khan explains, “India accuses Pakistan of using Afghan territory for training militants that wage jihad in Kashmir, denied by Pakistan; Afghanistan accuses Pakistan of continuing to support the Taliban, a charge also denied; and Pakistan, in turn, accuses India of conniving with Afghanistan to destabilize Pakistan and stoke irredentist claims, a charge denied by both Afghanistan and India.”¹²⁶ Thus, regional cooperation certainly becomes problematic in this mayhem of claims and counter claims.

6. India-Bhutan Relationship

With Bhutan, India enjoys a good relationship, which can be attributed largely to the small Himalayan Kingdom’s willingness to accept Indian preponderance in its affairs. According to Wagner, “The Friendship treaty of August 1949 gave India substantial influence in handling the foreign policy and international affairs of Bhutan.”¹²⁷ For India, Bhutan remains an important, albeit small, ally in protecting its security interest vis-à-vis China in the Himalayan region.¹²⁸

As far as Bhutan is concerned, its willingness to show compliance to Indian interests has yielded positive results for the country’s economy. The small Himalayan kingdom has been a key recipient of Indian largess, which India has been keen to show as appreciation for its friendship with Bhutan. As Wagner explains, “India has supported Bhutan economically with substantial means. For many years, the kingdom has been the biggest recipient of India’s development cooperation. In 2012/13 more than 36 percent of funds from the Indian Technical and Economic Cooperation Program went to Bhutan”¹²⁹

¹²⁵ Wagner, “Security Cooperation in South Asia,” 11.

¹²⁶ Khan, “Security Impediment to Regionalism,” 232.

¹²⁷ Wagner, “Security Cooperation in South Asia,” 10.

¹²⁸ Ibid., 12.

¹²⁹ Ibid., 13.

Due to Indian support, Bhutan has managed to improve its economy substantially. Bhutan has become a major producer of hydro-electricity, of which India is a big and insatiable market.¹³⁰ The constructions of hydro-electric projects were possible for the small country because of economic and technical support of India. As Wagner explains, “The Indian government has also been financing the construction of dams for hydro-electric power produced by Indian companies for many years. Bhutan is producing enough electricity for it to be exported to northern India.”¹³¹

Despite the close bi-lateral relations and the economic gains made through Indian assistance, it appears that political and economic relations with India have not always been a smooth affair between the two countries. In the domestic politics of Bhutan, the nature of the relationship with India remains a constant matter of debate, especially with regards to Indian influence in its foreign policies. Bhutanese intermittent attempts to reassert its foreign policy have failed to generate a positive response from India. When the Bhutanese government under Prime Minister Jigme Thinley tried to realign Bhutan’s foreign policy through a rapprochement with China and other countries, New Delhi did not welcome the Bhutanese move. As retribution, the Indian government delayed supplies and did not prolong a treaty on subsidies for gas and energy to the Himalayan kingdom. As a result, the Bhutanese government had to forego its adventurism with foreign policy and resort back to the continuation of close cooperation with India, including on security issues.¹³²

D. IMPLICATIONS ON REGIONALISM

Due to its enormous size and resources, India’s relationships with the smaller powers assume greater significance in the regional order than the relationships among the smaller countries themselves. Moreover, the geo-political constraints make it considerably difficult, if not impossible, for the smaller states to bypass India and proactively engage with each other. As a consequence, their relationships with each other

¹³⁰ Wagner, “Security Cooperation in South Asia,” 13.

¹³¹ Ibid.

¹³² Ibid.

have largely been limited, prohibiting them from having greater impact on the regionalism process.

Viewed from this context, it can be argued as long as India continues to have bilateral disputes with its neighbors; regional cooperation will remain a difficult undertaking. As a result of extant bilateral disputes, South Asian countries have so far failed to craft any optimal level of regional cooperation and enhance each other's development and security in the process, which is the primary goal of regionalism.¹³³

Differing viewpoints among South Asian countries have also adversely affected the regionalism process. Among all the countries in the region, India has largely remained ambivalent towards the prospect of regionalism. As a growing country of global significance, India has felt its interests are better served by thinking global rather than regional.¹³⁴ Some analysts even point out that improved linkages with the United States since the late 1990s has reinforced India's conviction that it is now in the big leagues, and dealing with other South Asian countries would be something irrelevant and even "insulting."¹³⁵

On the other hand, most other South Asian countries are more inclined to pursue regionalism, which they view as a platform to boost their otherwise nominal political and economic clout in the region. For Sri Lanka, a small island country, its vision for regional cooperation is primarily motivated by economic incentives, which it realizes it can gain through a collective approach of regionalism.¹³⁶ Likewise, the two land-locked states, Nepal and Bhutan, both foresee huge economic scope through regional integration. The tiny Himalayan countries are optimistic that they can seek market for their abundant hydro-electric resources by engaging in regionalism.¹³⁷ Similarly, Bangladeshis have also learned to shed their inhibitions and are proactively advocating the need for

¹³³ Dossani, Sneider, and Sood, *Does South Asia Exist*, 15.

¹³⁴ *Ibid.*, 33.

¹³⁵ Khan, "Security Impediment to Regionalism," 241.

¹³⁶ Saman Kelegama, "South Asian Regionalism: A Sri Lankan Perspective," in *Does South Asia Exist*, 170.

¹³⁷ Mahendra P. Lama, "Bhutan, Nepal, and SAARC: Harnessing Old Resources with New Instruments," in *Does South Asia Exist*, 123.

constructing a broader regional community.¹³⁸ As Rehman Sobhan points out, “Many of the present generation of Bangladeshis have recognized that 55,000 square miles of land area is too narrow a space to contain their aspirations.”¹³⁹

Indian ambivalence is not the only factor impeding regionalism in South Asia. Pakistan, the other regional power, has also remained averse to the idea of engaging proactively in regional cooperation. Pakistani mindset becomes evident from its reluctance to grant the status of most favored nation (MFN) to India, although the latter granted the status to Pakistan in 1996.¹⁴⁰

Pakistan’s unwillingness is largely based on two broad assumptions, which are primarily India-focused. First, it is driven by the premonition that Pakistan’s economy would be overwhelmed with overflow of Indian goods and capital if such regional trades are promoted. The second factor involves the Pakistani mindset that any normalization of relations with India would threaten Pakistan’s identity as a state.¹⁴¹ Some analysts argue that such assumptions are actually influenced by the special interests of Pakistan’s political and military establishments. Because such establishments have been primary beneficiaries of the state budget on the basis of the Indian threat, encouraging economic cooperation and confidence-building measures with India would not serve their special interests.¹⁴² As Akmal Hussain notes, “Influential members of Pakistan’s establishment saw a rapid improvement in economic relations and a permanent peace with India as a threat to the *raison d’être* of the large military establishment.”¹⁴³

¹³⁸ Rehman Sobhan, “Bangladeshi Perspectives on South Asian Regional Integration,” in *Does South Asia Exist*, 97.

¹³⁹ Ibid.

¹⁴⁰ Akmal Hussain, “The Challenges and Drivers of Regionalism in South Asia: The India-Pakistan Peace Process,” in *Does South Asia Exist*, 160.

¹⁴¹ Ibid.

¹⁴² Hussain, “The India-Pakistan Peace Process,” 160.

¹⁴³ Ibid.

E. CONCLUSION

The advent of power asymmetry in South Asia with India as the dominant power generated a sense of mistrust and suspicion of Indian motives among the smaller countries. The contradictions resulting from Indian aspiration for regional hegemony and defiance by the other countries to the presumed Indian hegemony has manifested in varying degrees of conflicting relationships between India and her neighbors.

India has not always been able to address its presumed role of hegemony adequately to its neighbors' or its own satisfaction. As theories of hegemony suggest, a successful hegemonic power is one that engages in not only rule-making and rule-enforcement, but is also able to acquire deference of secondary states of its leadership.¹⁴⁴ So far, it appears India has failed to achieve that goal. Due to its ambivalent foreign policies, India has only further alienated its neighbors. Hence, the onus lies on India to win the confidence of its neighbors and change its perception as a regional hegemon if it wants to pursue regionalism.

To this end, the role of other countries will be equally important. Pakistan's non-cooperation in this regard, if continued, will remain a major impediment, as it is the second largest country in the region with a major potential to contribute towards regionalism. However, in consideration of the sensitive nature of the India-Pakistan conflict it will be easier said than done. Other countries will also have to undergo a positive change in their attitude towards India, if they genuinely want to reap the benefits of regional integration. Shedding the ingrained suspicion of Indian motives can be the first step towards that goal.

¹⁴⁴ Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Economy* (New Jersey: Princeton University Press, 1984), 32–46.

III. ASYMMETRICAL POWER BALANCE AND ITS IMPLICATIONS ON THE ROLE OF THE SAARC

This chapter discusses the implications of the asymmetrical power balance on the role of the South Asian Association of Regional Cooperation (SAARC). It highlights the SAARC's ineffectiveness as a regional organization owing to the adverse effects of the power asymmetry in the region. Regional politics played a huge role in influencing the formation of the SAARC. Unlike other regional organizations that grew largely out of a necessity to counter outside threats, the SAARC was initially conceived as a strategy of smaller countries in the region to counter the growing military strength and influence of India, the regional power. In this strategic backdrop, India naturally became apprehensive over the prospect of the SAARC and was unwilling to join the organization. To convince India otherwise, the smaller countries were compelled to accept India's preconditions for joining the SAARC. These compromises on the organization's charter would later prove to be a limiting factor for the SAARC's role in the region.

The chapter begins with an overview of the genesis of the SAARC. It then discusses two provisions in its charter, which were incorporated on the insistence of India as preconditions for its accession. They were the provision of unanimity in decision-making and the exclusion of bi-lateral contentious issues from the SAARC's agenda. Next, the chapter discusses how divergent security perceptions between India and her neighbors have further impeded the SAARC's role. Finally, the chapter discusses the importance of India's role in revamping the SAARC and argues that the regional power's role will ultimately be crucial in deciding the organization's fate.

A. GENESIS OF SAARC

The South Asian Association for Regional Cooperation (SAARC) is an economic and political organization of eight countries in Southern Asia. In its founding in 1985, the SAARC was initially composed of seven countries: Bangladesh, India, Pakistan, Nepal, Bhutan, Sri Lanka, and Maldives. Afghanistan joined as the eighth member at the Association's 14th Summit in April 2007. For the region, coming out of the shadow of a

long colonial period and subsequent regional turmoil, the formation of the SAARC marked a watershed event for regional cooperation in the Indian subcontinent. As such, the SAARC's establishment was viewed as a historic event, reflecting the first institutionalized effort by South Asian countries to overcome differences and forge multilateral cooperation.

According to Ross Masood Hussain, the evolution of the SAARC can be broken down into three distinct phases.¹⁴⁵ The initial phase constituted meetings at the Foreign Secretarial level from the initial seven member countries to agree on a basic framework of regional cooperation. The first meeting was held in Colombo, Sri Lanka, in April 1981, and it was followed by a series of subsequent meetings that would continue up to March 1983.¹⁴⁶ The second phase in the evolution of the SAARC constituted higher level meetings at the Foreign Ministerial levels, which first convened in New Delhi in August 1983.¹⁴⁷ This development elevated the process from the bureaucratic to the political level. In the course of the second phase, the participatory countries decided to launch an Integrated Program of Action (IPA) through the declaration of South Asian Regional Cooperation (SARC).¹⁴⁸ By advancing to political levels, the meetings finally culminated in summits, which marked the third and final phase of the SAARC's evolution. The first summit was held in Dhaka in December 1985, in which the Heads of State and Government of the erstwhile seven member countries decided to establish the SAARC.¹⁴⁹ The Summit also ratified the SAARC Charter.

Idealistically, the SAARC would appear to be a regional organization established to foster and accelerate development processes in economic and social sectors through collective action in specified areas of cooperation. The Preamble of the SAARC Charter begins with the words, "Desirous of promoting peace, stability, amity, and progress in the

¹⁴⁵ Ross Masood Hussain, "SAARC 1985–1995: A Review and Analysis of Progress," in *The Dynamics of South Asia: Regional Cooperation and SAARC*, eds. Eric Gonsalves and Nancy Jetly (New Delhi: Sage Publications, 1999), 20.

¹⁴⁶ *Ibid.*, 22.

¹⁴⁷ *Ibid.*

¹⁴⁸ Hussain, "SAARC 1985–1995," 22.

¹⁴⁹ *Ibid.*

region” and goes on “to enjoin the regional partners to uphold the classical values of a security order—sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States.”¹⁵⁰ Hussain, in his admiration of the regional process asserts optimistically, “SAARC is a manifestation of the determination of the peoples of South Asia to cooperate regionally, to work together towards finding solutions to their common problems in a spirit of friendship, trust and understanding, and to create an order based on mutual respect, equity and shared benefits.”¹⁵¹ Moreover, cooperation within the SAARC framework would complement and be consistent with any obligations under existing bilateral and multilateral arrangements.¹⁵² Viewed from this angle, the SAARC thus reflected a genuine attempt to craft regional cooperation by South Asian countries and thereby reduce and eliminate conflicts among themselves.

However, a closer look at the strategic circumstances during the SAARC’s formation reveals that the organization did not embody the desire of South Asian countries to be mutually cooperative but was rather a design to offset the power asymmetry in the region. For example, Bangladesh, an incipient nation formed after its secession from West Pakistan floated the idea of a regional forum in South Asia. As early as 1978–1979, President Ziaur Rahman of Bangladesh approached his counterparts over the prospects of a regional process. At his initiative, a Bangladesh Working Paper (BWP) on regional cooperation was drafted and forwarded to the governments of South Asian countries for consideration on November 25, 1980.¹⁵³ The BWP indicated a great need for a formal institutional framework for implementing regional cooperation. It identified eleven areas of cooperation that were mostly non-controversial or non-political in nature.¹⁵⁴ The Bangladeshi proposal was formally announced in the first meeting of the

¹⁵⁰ SAARC *Charter*, Kathmandu: SAARC Secretariat. accessed January 17, 2015. <http://saarc-sec.org/saarc-charter/5/>.

¹⁵¹ Hussain, “SAARC 1985–1995,” 21.

¹⁵² Ibid.

¹⁵³ Chaudhury, *SAARC at Crossroads*, 53.

¹⁵⁴ Ibid., 54.

Foreign Secretaries held in Colombo, Sri Lanka, and was subsequently approved by the Foreign Ministers of the seven South Asian countries.

Although the Bangladeshi initiative appeared to be driven by benign intents, there were underlying motives as well. President Rahman of Bangladesh, who initiated the regional process, came to power through a military coup in 1975, in which he overthrew the former civilian rule of Sheikh Mujibur Rahman. This development marked a significant change in the country's policy towards India. Before that time, India had enjoyed a close relationship with the former Awami League government led by Mujibur. Bangladesh also remained largely subservient to India, as the latter had played a catalytic role in Bangladesh's liberation in 1971.¹⁵⁵ However, with the new president in power, Bangladesh was not very keen on maintaining its deferential position to India. As Anasua Chaudhury notes, "General Ziaur Rahman, the new leader was not interested to keep Bangladesh subservient to India, rather he was more intended to revive the country's image, as one capable of looking after its own interests and could also make a positive contribution to the international affairs."¹⁵⁶

Thus, Bangladeshi initiative to set up a regional organization can be considered the effort of a small state to offset its strategic disadvantage with a powerful neighbor. In an asymmetric environment, it becomes inherently difficult for a small state to deal with its bigger neighbor on an equal footing, thus reducing the former's bargaining power in inter-state relationships. Because it is possible to offset such a disadvantage by going through a multilateral forum, Bangladesh as a small state opted for this route to deal with India.¹⁵⁷ One South Asian observer Sukhdev Shah puts it bluntly: "The challenge for smaller countries was to devise a sensible arrangement for 'taming the beast.'"¹⁵⁸ He adds, "Creating a political safe-haven [for smaller countries] justified SAARC, with other subsidiary goals added almost as afterthought."¹⁵⁹

¹⁵⁵ Chaudhury, *SAARC at Crossroads*, 58.

¹⁵⁶ *Ibid.*, 55.

¹⁵⁷ *Ibid.*, 60.

¹⁵⁸ Shukdev Shah, "Missing Economic Links," *My Republica*, November 27, 2014, <http://myrepublica.com/>.

¹⁵⁹ *Ibid.*

Given the power asymmetry, it was thus natural that the Bangladeshi sentiment was shared by other smaller South Asian countries too as they readily accepted Bangladesh's initiative. Chaudhury notes, "The reactions of Nepal and Bhutan indicate how enthusiastic they were about the proposed cooperation."¹⁶⁰ Both countries obviously did not relish the Indian domination in their political and economic system.¹⁶¹ In the First Summit of the SAARC at Dhaka, the king of Bhutan diplomatically explained his willingness to join the SAARC thus: "We must transcend the narrow nationalism that prevails in our region due largely to historical reasons and create good neighborly relationships in which the magnanimity of the larger states would be matched by friendship of the smaller states."¹⁶² It can be argued that the king's remarks actually reflected the insecurity that the smaller states harbored about their larger neighbor and the need to counterbalance the perceived threat.

It is important to consider the strategic backdrop during the SAARC's formation as a major factor behind the rallying of small countries to form a regional organization. Chaudhury explains the strategic viewpoint in this way: "The dismemberment of Pakistan in 1971 and India's role thereof, India's 'Peaceful Nuclear Explosion' (PNE) in 1974, and annexation of Sikkim in the Indian Union in 1975—all these consecutive events altered the strategic environment in South Asia. In this changed situation, the smaller states felt encircled by India."¹⁶³ Thus, in such an environment, the smaller states naturally feared Indian domination in their political and economic system. The plausible answer to offset India's growing power and influence in the region was for the smaller countries to come together and set up a multilateral forum.

India quite naturally viewed this regional development in its backyard with suspicion. Hence, it was hardly surprising when India came up with only a lukewarm response to the concept of regional alliance. Chaudhury points out, "While the smaller

¹⁶⁰ Chaudhury, *SAARC at Crossroads*, 60.

¹⁶¹ *Ibid.*, 61.

¹⁶² Muhammad Shamsul Haq, *International Politics: A Third World Perspective* (New Delhi: Sterling, 1987), 56.

¹⁶³ Chaudhury, *SAARC at Crossroads*, 61.

states in South Asia appeared to be enthusiastic to form a regional organization, there was 'less-than-enthusiastic response' from India, the largest country of the region."¹⁶⁴ Initially, the reaction of New Delhi to the prospect of a regional alliance was one of utter indifference, later followed by hesitation about the proposal.¹⁶⁵

Indian apprehension towards the prospect of the SAARC can be attributed to three factors.¹⁶⁶ First, New Delhi's suspicion of Western influence in the proposal of a regional organization caused India to raise its eyebrow. Because Bangladesh recommended the proposal, India suspected that it was at the behest of Western powers. Indian suspicion derived from the fact that Dhaka fell under Western influence after the military takeover in 1975.¹⁶⁷ The second contributor, which was more strategic in nature, involved the Soviet dilemma. As India and the former Soviet Union were signatories to a Treaty of Peace and Friendship signed in August 1971, India feared that if the proposed regional organization had any anti-Soviet or pro-U.S. bias, it could pose as a severe setback to India's relations with the Soviet Union.¹⁶⁸ The third contributor, which would prove to be crucial in determining the fate of the SAARC, was the Indian viewpoint that the proposed regional organization could be used by other smaller countries to defy its regional dominance. So far, India had enjoyed a dominant status in its relationships with all its neighbors as they were conducted on a bilateral basis. For India, a multilateral regional order could be used to undermine her vital national interests.¹⁶⁹ The Indian Prime Minister Mrs. Indira Gandhi expressed this view in her inaugural address at the Meeting of the South Asian Foreign Ministers on August 1, 1983.¹⁷⁰

Notably, India, despite its suspicion and apprehension, chose not to reject the proposal for the regional organization. Two factors contributed to India's eventual

¹⁶⁴ Chaudhury, *SAARC at Crossroads*, 62.

¹⁶⁵ Ibid.

¹⁶⁶ Ibid.

¹⁶⁷ Ibid.

¹⁶⁸ Ibid.

¹⁶⁹ Ibid.

¹⁷⁰ Ibid.

acceptance of the proposal.¹⁷¹ First, the concept of a regional organization in its immediate neighborhood was too strong a concept for even India to ignore or reject.¹⁷² Despite its aversion, India may have reasoned that it had enough clout in regional politics to influence and shape the nascent organization in congruence with India's national interests. Second, India was concerned that if it directly rejected the idea, it could be isolated in the region, and such isolation could undermine its position in the region.¹⁷³

Thus, India's eventual participation in the SAARC was filled with trepidation and carried out in a tardy and grudging manner. India emphasized two preconditions for its proposed accession to the organization. It demanded that the proposed organization not discuss bilateral and contentious issues and all decisions made by the organization be unanimous.¹⁷⁴ At India's behest, other member states agreed to both of these preconditions. It can be argued that India insisted on an apolitical SAARC because of its fear that the organization could be used as a forum for political debates, in which the smaller states would be able to exert pressure on the regional hegemon.

To add to the predicament of the nascent organization, the other large state in South Asia, Pakistan, shared a similar hesitant attitude. In Pakistan's case, its reticence can be attributed to the deeply rooted suspicion towards Indian motives. It is interesting that both archrivals in the region saw the attempt to establish a regional organization as each other's handiwork and, hence, detrimental to their own national interests.¹⁷⁵ As Chaudhury points out, "Pakistan suspected that the proposed organization would only strengthen India's position in the region by giving India a more proactive forum to better voice and force her strategic interests upon her smaller neighbors."¹⁷⁶ In the aftermath of two major military losses with India in 1965 and 1971, Pakistan was nursing its wounds

¹⁷¹ Chaudhury, *SAARC at Crossroads*, 62.

¹⁷² Ibid.

¹⁷³ S. D. Muni, "SARC: Building Regionalism from Below," *Asian Survey* XXV, no. 4 (1985): 396.

¹⁷⁴ Chaudhury, *SAARC at Crossroads*, 62.

¹⁷⁵ Ibid., 63.

¹⁷⁶ Ibid.

from the humiliating experiences. In such a scenario, it is understandable; Pakistan did not have any heart to lower its position further in South Asia.¹⁷⁷

Pakistan's ambivalence towards the SAARC, rooted in its apprehension towards India, has been consistent and well-known.¹⁷⁸ S. D. Muni explains the Pakistani dilemma thus: "While [Pakistan] cannot get away with the fact of seeking development cooperation in South Asia, a real integration with the region which has India as the dominant member, threatens to blur its political and strategic identity."¹⁷⁹ On the home front, Pakistan's leadership also faced considerable pressure from the country's Islamic fundamentalist groups not to cooperate in this regard. Pakistan's reluctance to grant Most Favored Nation (MFN) status to India to resume free trade reportedly resulted from pressure by the Islamic Fundamentalists lobby in the country's government, "which considered such a step as an affront to Pakistan's ideology and the very basis of existence."¹⁸⁰ With Islam playing a major role in the decision-making process of Pakistan, Pakistan was more inclined to pursue greater cooperation with West Asian or the Middle Eastern countries instead of the SAARC.¹⁸¹ Furthermore, the growing importance of Organization of Petroleum Exporting Countries (OPEC) in world politics since 1973 also gave added incentive to look west. Pakistani leaders saw greater benefits in maintaining close links in the Persian Gulf region rather than in its immediate regional neighborhood.¹⁸²

Despite its apprehension, Pakistan also finally joined the SAARC, mainly for the same reason as India—the fear of being isolated in the region. As Ainslie T. Embree notes, "Pakistan feared India's economic and political domination through any regional

¹⁷⁷ Chaudhury, *SAARC at Crossroads*, 63.

¹⁷⁸ S. D. Muni, "Regionalism beyond the Region: South Asia outside SAARC," in *The Dynamics of South Asia: Regional Cooperation and SAARC*, eds. Eric Gonsalves and Nancy Jetly (New Delhi: Sage Publications, 1999), 123.

¹⁷⁹ Ibid.

¹⁸⁰ Ibid.

¹⁸¹ Chaudhury, *SAARC at Crossroads*, 63.

¹⁸² Ibid.

accord, but they grudgingly supported Bangladesh's idea in the end, fearing isolation."¹⁸³ Thus, Pakistan's eventual acceptance of the SAARC was also done in a reluctant and apprehensive manner, similar to India.

As can be discerned, such hesitancy from the two largest states in the region would naturally have negative implications for the evolution and functioning of the SAARC. Chaudhury asserts, "Against this backdrop, the SAARC started its journey on a bumpy road."¹⁸⁴

B. PROVISIONS IN THE SAARC'S CHARTER AND ITS IMPLICATIONS

Excluding bilateral and contentious issues from its agenda and requiring unanimous decision-making have limited the SAARC's ability to evolve properly and produce tangible results. The expectation that the early focus on economic and other forms of non-military cooperation would lead towards regional stability, development, and peace could not be met because political issues continued to overshadow economic issues. Although the SAARC was explicitly mandated to discuss only economic and development issues, security-related matters would inevitably come up and influence the discussion in its summit meetings.¹⁸⁵ But restrained by its charter, the SAARC, as a regional body, would have no choice but to ignore these issues, however important they may be. The fallacy of this provision is underscored by S. D. Muni in this way: "Politically, SAARC has avoided taking into its purview bilateral and contentious issues affecting regional relations. And yet these issues, along with the spillover of internal conflicts on bilateral relations, have continuously inhibited faster and more substantial progress in SAARC."¹⁸⁶

¹⁸³ Ainslie T. Embree, "Democratization as Scaffolding for Regional Integration," in *Does South Asia Exist?: Prospects for Regional Integration*, ed. Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, (Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010), 220.

¹⁸⁴ Chaudhury, *SAARC at Crossroads*, 64.

¹⁸⁵ Kishore C. Dash, *Regionalism in South Asia: Negotiating Cooperation, Institutional Structures* (New York: Routledge, 2008), 105.

¹⁸⁶ Muni, "Regionalism beyond the Region," 116.

The situation gets aggravated with the provision that requires unanimity in the SAARC's decision-making. Given the level of mistrust and the continuation of bilateral disputes, it is evidently difficult for SAARC countries to come to a common agreement in many important issues.

Thus, over the years, its self-imposed restraint toward bilateral and contentious issues and the requirement for unanimous decision-making have inadvertently created obstacles for the SAARC's growth and rendered it practically ineffective.

It can even be argued that the exclusion of bilateral and contentious issues has manifested in a missed opportunity for regional peace and stability. As inter-state disputes remain extant and the SAARC continues to ignore these issues, its ability to foster regional cooperation becomes debatable. Ross Masson Hussain notes, "SAARC is being hard put to avoiding consideration of vital regional political and strategic questions as the organization possesses greater potential for defusing tensions and generating political goodwill in South Asia."¹⁸⁷ Hussain further adds, "Not being a formal security-oriented alliance or bloc, and with 'bilateral and contentious issues' specifically excluded from its deliberations, the SAARC has neither solved, nor was it intended to solve, any other the contentious problems that plague and divide the nations of South Asia."¹⁸⁸

Thus, avoidance of bilateral and contentious issues has really become critical and raises questions about the SAARC's relevance and existence as a regional organization. Citha D. Maass explains as follows:

Of utmost concern, of course, was whether SAARC would be able to survive at all given the detrimental circumstances prevailing in the region. In this context, the crucial question was whether SAARC could be turned into an appropriate regional mechanism of conflict control. The decision by the constituent member governments to exclude contentious bilateral issues from the SAARC agenda was met with certain reservations. It was seen as a pragmatic answer to the complicated conflictual structure of the region and accepted as a precondition for letting SAARC function at all. On the other hand, it was criticized for having missed the chance of

¹⁸⁷ Hussain, "SAARC 1985–1995," 35.

¹⁸⁸ *Ibid.*, 33.

institutionalizing a neutral body suitable for and capable of mediating in the numerous regional conflicts.¹⁸⁹

It can thus be discerned that for the SAARC to be effective, it is imperative to make amendments in the general provision of its charter. As long as there are ongoing bilateral disputes, the environment will not be conducive to regional cooperation, and the SAARC cannot afford to remain oblivious. Hence, South Asian countries will have to somehow find ways to proactively deal with these security issues multilaterally instead of turning a blind eye to them. Although such discussions may warrant unwanted tensions and unnecessary hurdles, it will nonetheless be beneficial for regional cooperation in the long run. To this end, Cheema makes a strong point, “For how long can [SAARC] opt for evasion and avoid facing the real issues? Continued avoidance of bilateral contentious issues/disputes reflects the weakness of commitment to enhance the strength of a multilateral regional approach.”¹⁹⁰ Even if modifications of both provisions prove to be a difficult undertaking, SAARC countries should at least make efforts to modify provisions relating to discussion on bilateral and contentious issues.¹⁹¹

C. DIVERGENT SECURITY PERCEPTIONS AND THEIR IMPLICATIONS

The success of regional cooperation depends on trust among the countries in the region. The prospect of regional cooperation diminishes when any member state is dissatisfied with the regional order because it perceives threats to its national interests emanating from within the region. Regional cooperation ventures, thus, must conform to the interests of the participating states and must respect the sovereignty of the member states.¹⁹² Pervaiz Iqbal Cheema asserts, “If any one of the members believes that the other is not only an expansionist power but is also determined to pursue its hegemonic

¹⁸⁹ Citha D. Maass, “South Asia: Drawn between Cooperation and Conflict,” in *The Dynamics of South Asia: Regional Cooperation and SAARC*, eds. Eric Gonsalves and Nancy Jetly (New Delhi: Sage Publications, 1999), 47.

¹⁹⁰ Pervaiz Iqbal Cheema, “SAARC Needs Revamping,” in *The Dynamics of South Asia: Regional Cooperation and SAARC*, eds. Eric Gonsalves and Nancy Jetly (New Delhi: Sage Publications, 1999), 103.

¹⁹¹ Ibid.

¹⁹² Ibid., 91.

designs, the chances of making any cooperative venture a success are often reduced to the minimum.”¹⁹³

In the SAARC’s case, the deficit in trust has resulted in divergent security perceptions between India and her neighbors, which makes regional cooperation further problematic. The following insight by Cheema provides a good overview of the conflicting security perceptions between India and her neighbors:

South Asia is one of the few regions of the world in which not only a single power constitutes the core of the region but also is so overwhelming and domineering that the others are continuously entertaining fears of adverse future happenings. While many smaller powers are fearful of India’s future designs and want to contain India, India wants to contain the extra-regional intrusions. For its own policy objectives, India has turned to powers like the erstwhile USSR, USA, UK, whenever the need arose, but it has always sought to minimize the role of extra-regional powers if they are in the area because of linkages with other regional countries. For smaller countries, SAARC appears not just an association that promotes mutual cooperative ventures in economic field but also a means that could provide an alternative route to security. While almost all smaller members of SAARC would like to retain some credible security option to seek help from outsider equalizers, the level of dependency in many ways continues to be linked with the behavior and policies of the core country, India.¹⁹⁴

Divergent security perceptions mainly arise from two factors: the lack of a common threat and a perception of threat from regional sources. Unlike the countries of the European Union (EU) and the Association of Southeast Asian Nations (ASEAN) whose common threat perceptions encouraged earnest security cooperation, SAARC countries did not share a common threat perception. As Cheema explains, “Since there exists no common threat, the security policy of member states have been evolved in congruence with individual countries own threat perceptions.”¹⁹⁵ Moreover, as most SAARC states perceive that security threats actually emanate from regional sources, India and other countries pursue their own security interests, inducing a divisive rather than cohesive regional order.

¹⁹³ Cheema, “SAARC Needs Revamping,” 91.

¹⁹⁴ Ibid., 97.

¹⁹⁵ Ibid., 96.

Against this backdrop, it would seem intuitive for the smaller states to ensure that the SAARC actually works and its role is expanded. A functioning SAARC would help maintain a strategic counterbalance against the potential hegemony of India. Yet apart from their crucial role in establishing the regional organization, the smaller powers in the region have largely been unable to maintain momentum in the SAARC. Their failure to revitalize the SAARC can be attributed to four factors. First, the categorical exclusion of bilateral contentious issues from the SAARC's agenda has barred them from proposing any meaningful discussions on regional security matters. Second, the provision of unanimity has inadvertently rendered the SAARC powerless in imposing any decision that would displease India, or any other country for that matter. Third, the smaller countries are so overwhelmed in their own intrastate security affairs that they have minimal political incentives and resources to expend towards regional security.¹⁹⁶ Faced with such a dire state, some countries have chosen to acquiesce with India rather than confront it through a regional forum.¹⁹⁷ Lastly, lack of support from global powers in this regard has also adversely affected the morale of the smaller powers to pursue energetically on the path of regionalism.¹⁹⁸

Thus, it can be argued that the SAARC contains a built-in contradiction. In its conception, it was designed to enmesh India in a regional process, which would thereby limit its preponderance in regional affairs. India's condition for participation, however, was that the SAARC not deal with any issues that could seriously interfere with the pursuit of its interests—which, of course, was exactly the point of the organization. In such a contradictory environment, it can be argued that the SAARC lost its bearing.

D. INDIA'S ROLE IN REVAMPING THE SAARC

Since the SAARC's inception, India has been apprehensive and undecided towards the organization's prospect. As pointed out earlier, such attitude on the part of India mainly arises from its mindset that the SAARC is a mechanism of the smaller

¹⁹⁶ Khan, "Security Impediments to Regionalism," 227.

¹⁹⁷ Ibid.

¹⁹⁸ Ibid.

neighbors to defy its regional dominance and undermine its national interests. However, the ambivalence can also be attributed to a difference in India's perception towards its global versus regional aspirations. As such, it appears that India has accorded greater importance to its global ambitions and consigned regional ventures as lesser priorities. Dossani, Sneider, and Sood point out, "India, with its global ambitions firmly insight, has decided that it needs the world more than it needs South Asia."¹⁹⁹ As India continues to make impressive economic growth compared to its South Asian counterparts, it sees greater development opportunities in trading and investing with the rest of the world, particularly the richer countries, rather than with its immediate neighbors. Many observers also point out that as it seeks to match China's global influence, India feels that its national interests are better served through strategic alignments with countries like the United States.²⁰⁰

On a positive note, India is gradually outgrowing its apprehension towards the SAARC's motives and shedding its ambivalence by showing genuine interest in regional venture. Rajiv Kumar attributes the change in India's attitude to four factors. First, he points out that India is becoming less apprehensive towards regionalism because it has come to see regional cooperation as less of a threat.²⁰¹ The rise in India's confidence towards regional cooperation stems mainly from two positive political developments in the region: a changing attitude of its smaller neighbors and growing acceptance of India's prominence in the region by international actors. Rajiv Kumar explains, "India's neighbors have come to realize that forming a coalition that excludes India would be neither feasible nor successful. Moreover, major powers from outside the region seem to have finally accepted India's relatively dominant position in South Asia (especially following its robust economic growth since 1991) and have backed off from using their bilateral or regional relationships with India's neighbors to try and 'redress the asymmetry' within the region."²⁰²

¹⁹⁹ Dossani, Sneider, and Sood, "Does South Asia Exist," 32.

²⁰⁰ Ibid.

²⁰¹ Rajiv Kumar, "Is a Successful SAARC an Imperative for India," in *Does South Asia Exist*, 106.

²⁰² Ibid.

Secondly, India is becoming increasingly benign because it has come to realize the importance of multilateral efforts to address intrastate security issues and fight poverty in its border states.²⁰³ The regions along India's borders with other South Asian countries have been historically poor and backward, creating conditions for insurgent movements. Kumar notes, "Conditions in the seven provinces of the northeastern region [adjoining Bangladesh] are especially poor, with significant militant activity further threatening stability."²⁰⁴ As unilateral efforts have failed to yield positive results, Indian policy makers have come to realize that these regions can be developed and stabilized only through multilateral cooperation with neighboring countries. Thirdly, India's lessening apprehension towards regionalism can be attributed to its impressive economic rise since the early nineties. Through the economic surge, India has earned worldwide recognition as a key global player, which has boosted its confidence. This newfound confidence has been important in framing India's positive perception towards regional cooperation. As Kumar points out, "The growing economic confidence has made India less defensive about its neighbors' policies and more open towards them."²⁰⁵

The fourth factor, which is arguably the most important, behind India's changing perception is the growing Chinese economic influence in South Asia. As China continues to build up strong economic presence in the region, it certainly becomes a matter of concern to New Delhi. Kumar points out, "As of 2009, all the South Asian economies except Bhutan and Nepal have larger bilateral trade volumes with China than with India, despite the fact that China does not have preferential Free Trade Agreements (FTAs) with any of these countries aside from Pakistan."²⁰⁶ Thus, as China pursues strategic political-cum-economic relationships in the region, New Delhi worries that other South Asian countries may seek greater economic cooperation with China unless India makes concerted efforts to enhance its bilateral and regional relations with its neighbors.²⁰⁷

²⁰³ Kumar, "Is a Successful SAARC an Imperative for India?" 107.

²⁰⁴ Ibid.

²⁰⁵ Ibid.

²⁰⁶ Ibid.

²⁰⁷ Ibid.

Furthermore, security concerns are also raised for India as China makes strategic investments in infrastructure projects in the region, such as in the Gwadar port in Pakistan and Chittagong in Bangladesh as part of its “string of pearls”²⁰⁸ strategy of extending its influence and access to ports and airfields around the Bay of Bengal and Arabian Sea.²⁰⁹

India’s change in its strategic thinking towards regionalism was recently displayed in the 18th SAARC Summit that was recently held in Kathmandu, Nepal, in November 2014. In the inaugural session of the Summit, Indian Prime Minister Narendra Modi emphasized the urgent need for collective efforts and reconciliation in South Asia. In his address, he pointed out, “Big and small, we face the same challenges—a long climb to the summit of development. But I have great belief in our boundless potential, and confidence that comes from the many inspiring stories of innovation and initiative in each of our countries.”²¹⁰ In the address, Prime Minister Modi also explicitly acknowledged India’s responsibility in boosting the role of the SAARC, stressed India’s commitment to meet the challenge, and also welcomed other members to equally contribute. He said, “I know India has to take a lead, and we will do our part. I hope, each of you will, too.”²¹¹

Thus, in a rather counter-intuitive way, the same power asymmetry that induced smaller states to create the SAARC against a hegemonic India has now become a strong basis for regionalism in South Asia. Lately, as India continues to rise economically and militarily, the power asymmetry has, in fact, grown. But, in the process, India has become more confident and views regionalism as less of an impediment to its strategic interests. Moreover, India’s growth makes its cooperation even more valuable to other states.

²⁰⁸ The String of Pearls theory is a geopolitical theory regarding potential Chinese intentions in the Indian Ocean region. It refers to the network of Chinese military and commercial facilities and relationships along its sea lines of communication, which extend from the Chinese mainland to Port Sudan. Arguably, such an arrangement can encircle India in the region.

²⁰⁹ Kumar, “Is a Successful SAARC an Imperative for India?” 107.

²¹⁰ Kosh Raj Koirala, “Leaders Resolved to Impart Momentum to SAARC,” *My Republica*, November 27, 2014, <http://myrepublica.com/>.

²¹¹ Ibid.

It thus becomes evident that the nature of relationship between India and the other member countries remain crucial in boosting the SAARC's role. To this end, how India and other SAARC members perceive each other's intentions, attitudes, and policies will be important in how the organization evolves in the future. As a big power in the region, the onus will ultimately lie on India to erode the impression of its perceived hegemonic pursuits. If the smaller powers continue to feel that they might be subjected to a hegemonic system, the SAARC will invariably have a difficult time garnering cooperation in the region. In the same vein, it is important for the smaller countries to convince New Delhi that they will not use the SAARC forum to single out India. It will be a difficult balance to achieve on both sides, but one that is crucial.

E. CONCLUSION

The formation of the SAARC marked a watershed event in the regional dynamics of South Asia. This historic step heralded the first institutionalized effort to overcome petty indifferences and forge regional cooperation among countries of the region. Yet, almost three decades down the road, the SAARC does not have much to its credit as South Asia remains mired in political and economic stagnancy. An article in *The Economist* in 2002 highlighted the SAARC's failure in saying whether the organization has any value at all and whether it should be put out of its misery.²¹² Cheema also notes, "Hailed as a much-awaited panacea for many ills confronting the region, its performance remained far below the augured dividends."²¹³

The SAARC's failure to live up to its role can be largely attributed to the adversarial relationship between India and other member states. The strategic circumstances of the SAARC's genesis, in which the smaller countries of the region came together to counterbalance India's perceived hegemony, meant that the SAARC could not set off with a good start. The preconditions laid out by an apprehensive India for its accession to the nascent organization would prove to be a major setback to the SAARC's

²¹² "South Asia: The Unmagnificent Seven," *Economist*, January 24, 2002, <http://www.economist.com/>.

²¹³ Cheema, "SAARC Needs Revamping," 92.

role. As India continued to remain ambivalent due to its suspicion about the underlying motives behind the SAARC's formation and its belief that its political and economic interests are better served through global alliances, the SAARC has not been able to evolve into a functional institution. Thus, being neglected by the most powerful country in the region has certainly taken its toll on the SAARC. Furthermore, divergent security perceptions of India and other member states also put further constraints on the SAARC's role and effectiveness.

On an optimistic note, despite the bumpy start and subsequent lackluster performance, the SAARC's better days may still be ahead. This positive development can be attributed to India's changed perception towards the SAARC in recent years. A growing realization and acceptance among India's neighbors about the significance of India's role in regional cooperation have also helped to improve the regional dynamics. Such changes in attitudes have sent positive signals that the SAARC can still survive and prove to be on par with other regional organizations such as ASEAN and the EU in fostering economic and political cooperation.

To this end, the role of India will be instrumental in deciding the fate of the SAARC. Equally, other member states will also have to shed their myopic view wherein they see hegemonic designs in everything India does. Furthermore, all stakeholders should agree to make pragmatic changes in the organization's Charter, which will enable the SAARC to assume a more assertive role in regional cooperation, rather than remain just a nominal entity.

IV. A COMPARATIVE PERSPECTIVE: SAARC, EU, AND THE ASEAN

This chapter aims to gain a comparative perspective of the SAARC by drawing insights from two other similar regional organizations, the European Union (EU) and the Association of Southeast Asian Nations (ASEAN). In doing so, it focuses on three issues: the genesis of the organizations, the decision-making process, and the embodiment of the notion of supra-nationalism versus sovereignty.

To set the background, the chapter begins with a brief overview of the evolution of regionalism as a fairly recent phenomenon in world politics. It will then discuss the strategic imperatives in the genesis of the EU and the ASEAN, which were both security and economic driven. The chapter then examines the decision-making processes, which suggests that both organizations have shown greater ingenuity and pragmatism relative to SAARC in dealing with this issue. Finally, the chapter discusses how the issues of national sovereignty versus supra-nationality have played out in both cases of the EU and the ASEAN. The chapter argues that different historical circumstances of state-formation have accordingly shaped the attitudes of ASEAN and EU countries towards the notions of state sovereignty and supra-nationalism.

A. EVOLUTION OF REGIONALISM

Regionalism is a fairly recent phenomenon in global politics. Initial attempts at international cooperation began with a universal approach rather than a regional approach.²¹⁴ In the aftermath of the devastations from the two world wars, the world community came together to join hands universally and the United Nations was formed as a global institution that would foster global peace and harmony. However, with the onset of the Cold War and the resultant bi-polar order in world politics, the vision of a universal community living in harmony suddenly became unattainable, if not altogether impossible.

²¹⁴ Maass, "South Asia: Drawn between Cooperation and Conflict," 40.

Many analysts believe that as the world became bi-polar, the countries constituting these competing blocs felt the need to restructure the international relations within the power blocs in such a way that would enable them to have a voice and influence in the international order. Such aspirations induced some countries bounded together by regional proximity to come together and join hands in regional cooperation initiatives.²¹⁵ As Citha D. Maass points out, “On the one hand, the idea of universalism had turned out to be utopian, while, on the other, the concept of nationalism was regarded as too restricted. Thus, a compromise was made by adopting a regional approach, which was viewed as being midway between nationalism and universalism.”²¹⁶

With the rise in the trends of regional cooperation and integration, regionalism is increasingly gaining world attention as a major potential for change in global politics. In many parts of the world, regional institutions have evolved as multinational and multi-lateral organizations that deal with a wide array of transnational issues around the world.²¹⁷ In the European continent, the EU has established itself as a prominent regional organization, whereas the ASEAN is increasingly gaining prominence in Southeast Asia.

B. THE GENESIS OF THE EU

The EU represents a classic model of regional integration, one that has successfully survived and strengthened from the traumatic experiences of the two world wars. Founded upon numerous treaties, the EU has undergone expansions that have taken it from six founding member states to twenty-eight.²¹⁸

The formation of the European Economic Community (EEC), through the Treaty of Rome in 1957, can be regarded as the first institutionalized effort in European integration. Its aim was to bring about economic integration, including a common market,

²¹⁵ Maass, “South Asia: Drawn between Cooperation and Conflict,” 41.

²¹⁶ Ibid.

²¹⁷ Amitav Acharya and Alastair Iain Johnston, “Comparing Regional Institutions: An Introduction,” in *Crafting Cooperation: Regional International Institutions in Comparative Perspective*, ed. Amitav Acharya and Alastair Iain Johnston (Cambridge: Cambridge University Press, 2007), 1.

²¹⁸ Ummu Salma Bava, “Regional Integration: Lessons for South Asia from Around the World,” in *Does South Asia Exist*, 41.

among its six founding members: Belgium, France, Italy, Luxembourg, the Netherlands, and West Germany.²¹⁹ Following a series of expansions, the EU was established to succeed the European Community through the Maastricht Treaty in 1993.²²⁰

Although economic objectives were seemingly the primary drivers behind the West European regional integration, political and security concerns were also equally motivating factors. In essence, the regional integration process was a highly political process with trade-offs between political autonomy and economic incentives, where each country would seek to maintain as much autonomy as possible while seeking as many benefits that integration would bring about.²²¹ As William Wallace asserts, “Economic integration was a strategy to achieve political objectives: American, French, Dutch, Italian, and German.”²²²

Politically, a multilateral framework was an appealing incentive for all stakeholders. Coming out of the devastations caused by two consecutive world wars, the prospect of such a venture with broader regional outlook lent reassurances to France and Netherlands, who otherwise felt apprehensive and vulnerable to a resurrecting Germany. Interestingly, the security concerns were complemented by Germany and Italy. In the wake of their overwhelming defeat by the allied forces, the two countries faced complete military and economic destructions and political humiliations. Their democratic institutions, in the process of being rebuilt, were not adequately secure and in place. Moreover, whatever sovereignties they had managed to regain remained largely conditional. Hence, the two countries naturally felt insecure, as they sought to regain their footing in such a seemingly precarious environment. In such a scenario, a multilateral regional order would provide them a forum through which they could carefully seek to

²¹⁹ Bava, “Regional Integration: Lessons for South Asia from Around the World, 41.

²²⁰ William Wallace, *Regional Integration: The West European Experience* (Washington, DC: Brookings Institution, 1994), vii.

²²¹ Ibid., 8.

²²² Ibid., 2.

redefine their foreign policy and, in the process, regain acceptance in the international community.²²³

It is important to note that the United States played a crucial role in facilitating the regional integration process in Western Europe. As Wallace points out, “The role of the United States as external hegemon and security guarantor was a crucial factor in the evolution of the European Community (EC).”²²⁴ As the world gradually turned bi-polar and the threat of a Cold War loomed large, U.S. interests primarily lay in countering the Soviet presence in Western Europe and containing the spread of communism in the region. To meet these challenges, it was imperative for the United States to ensure the political and economic integrity of the Western European countries, its allies in the region. Thus, the United States became heavily involved, through its historic Marshall Plan, in the recovery of the European political and economic institutions, which were essentially in shambles from the destructions of World War II.²²⁵

The U.S. involvement in framing regional cooperation in Western Europe had many positive political and economic implications. For Germany, the U.S. Marshall Plan played a critical role in reviving its collapsed economy and reestablishing democratic institutions. Most importantly, the U.S. presence in the region was instrumental in facilitating an amicable bilateral relationship between France and Germany, as it reassured France against a potential hegemony of a revived Germany.²²⁶ By virtue of being great powers in the region, the Franco-German relationship, thus created, would prove to be a key force in the European integration and motivate other countries as well to join the regionalism bandwagon. Hence, the U.S. sponsorship in the revival of Western Europe, complemented by the European countries’ readiness to accept U.S. leadership on

²²³ Wallace, *Regional Integration: The West European Experience*, 2.

²²⁴ *Ibid.*, 8.

²²⁵ The Marshall Plan was the U.S. initiative to aid Europe, in which the United States gave \$17 billion in economic support to help rebuild European economies after the end of World War II. The plan was in operation for four years beginning in April 1948.

²²⁶ Wallace, *Regional Integration: The West European Experience*, 9.

economic and political matters, facilitated an environment that was conducive to a successful regional integration.²²⁷

In comparing the genesis of the EU and the SAARC, it appears that the two processes were different in many ways. As noted before, SAARC's formation was motivated by a need of smaller countries in the region to counterbalance the rising power of a potentially hegemonic India. Such an imperative was lacking in the European integration. Despite having political and security concerns, the Western European countries did not necessarily feel threatened by any potential regional hegemon. In fact, it can be argued that there was not any country left with enough military and economic strength to pose a regional threat in the aftermath of the Second World War. For those countries, the prospect of a multilateral regional framework was only so important for boosting their doomed economies and presenting a united front against a new form of external threat—the spread of communism and a potential Soviet invasion. Herein also lay another difference—the South Asian countries did not share a common threat perception as did the Western European countries against the rising influence of communism. Finally, the difference also lay in the absence of any role of an external power in SAARC's formation, which was predominant in the European integration.

C. THE ASEAN PERSPECTIVE

The Association of Southeast Asian Nations (ASEAN) was established through the initiatives of five countries in the region: Indonesia, Malaysia, the Philippines, Singapore, and Thailand on 8 August 1967.²²⁸ Since its formation, the organization has expanded its membership to 10 countries with the accession of Brunei, Cambodia, Laos, Myanmar (Burma), and Vietnam. The proclaimed aims of the ASEAN included accelerating economic growth, social progress, socio-cultural evolution among its members, and protection of regional peace and stability.²²⁹

²²⁷ Wallace, *Regional Integration: The West European Experience*, 9.

²²⁸ Amitabh Acharya, *The Making of Southeast Asia: International Relations of a Region* (Singapore: Institute of Southeast Asian Studies, 2012), 155.

²²⁹ *Ibid.*, 156.

The political impetus for forming a regional body in Southeast Asia primarily came from the rising influence of communist threats in the region. The Indo-Chinese states of Vietnam, Laos, and Cambodia had all fallen to communist regimes, and communist insurrections were threatening other countries in the region as well. The whole region was ideologically divided into two groups: the non-communist states of Indonesia, Malaysia, the Philippines, Singapore, and Thailand and the communist states of Indo-China.²³⁰

In such a precarious setting, ASEAN's founding members were naturally concerned with the potential impacts of communist expansionism on their nationalistic movements, which were still in nascent stages.²³¹ It should be noted that as incipient nations, it was highly important for ASEAN countries to preserve their newly found national identities against any forms of expansionism.²³² A potential radical political change could prove to be a major setback in their nation-building processes. Hence, such shared political and ideological concerns presented a strong incentive for ASEAN founding members to unite with each other in a regional alliance. As Acharya notes, "The similarities of their domestic political orientation and a common fear of communist-led national liberation movements provided important glue for ASEAN."²³³

Conversely, the political and ideological divide deterred non-conformist Southeast Asian nations to shun the concept of a regional alliance. Despite an open-door invitation, laid out clearly in ASEAN's founding statement, the Bangkok Declaration of 1967, the Indo-Chinese communist states collectively declined to join the regional venture.²³⁴ Cambodia did not want to join because it regarded it as a pro-Western and anti-Chinese organization. In the face of an existential threat from neighboring Vietnam, Cambodia did not want to upset China, upon which it relied for political and military support. The country felt especially vulnerable as it had broken ties with the United

²³⁰ Chaudhury, *SAARC at Crossroads*, 137.

²³¹ Acharya, *The Making of Southeast Asia*, 160.

²³² Chaudhury, *SAARC at Crossroads*, 136.

²³³ Acharya, *The Making of Southeast Asia*, 160.

²³⁴ Ranjit Gill, *ASEAN: Coming of Age* (Singapore: Sterling Corporate Services, 1987), 2.

States.²³⁵ Moreover, Cambodia was also deterred by the prospect of upsetting its perpetual regional adversary, Vietnam, which had already indicated its reservation regarding the formation of ASEAN and had starkly refused to join the organization.²³⁶ Similarly, Myanmar also rejected the proposal of joining ASEAN because of its perceived pro-West underpinnings and the fear of upsetting China. Officially, Myanmar laid forth the presence of U.S. military presence in the Philippines as the reason for its refusal to join ASEAN.²³⁷ Thus, despite the best efforts of ASEAN leaders to enthrone greater regional cooperation, the organization was compelled to set off with only five members in its formative years.

In addition to the political and ideological conflicts, ASEAN's founding members were also motivated by a myriad of security concerns to form a regional alliance. As the region became decolonized, the transition to a post-colonial era also created a power vacuum, thus rendering the newly formed Southeast Asian countries vulnerable in a potentially hostile environment. In this regard, Chaudhury notes, "As most of the Southeast Asian states were dependent on their security arrangements on the colonial masters, decolonization meant for them not only weakening but also diminishing of their own security guarantees."²³⁸

The security challenges involved both regional and outside threats. Regionally, threats emanated from each other, owing to a number of territorial disputes, which were left unresolved by the former colonial powers.²³⁹ Moreover, the rising power and influence of a communist North Vietnam presented a prominent security challenge in the region. These security concerns were lent further credence by the U.S. domino theory, which suggested that if South Vietnam fell under the communist control, other countries in the region would fall too, like dominoes, to communist domination.²⁴⁰

²³⁵ Acharya, *The Making of Southeast Asia*, 156.

²³⁶ Ibid.

²³⁷ Ibid.

²³⁸ Chaudhury, *SAARC at Crossroads*, 138.

²³⁹ Ibid.

²⁴⁰ Ibid.

Interestingly, security threats also emanated from one of the ASEAN founding members itself, Indonesia. Under Sukarno, the first president, Indonesia largely regarded itself as a dominant regional power and pursued a regional policy of confrontation or *Konfrontasi* with its regional neighbors.²⁴¹ Such an attitude naturally made other countries apprehensive of the regional power's motives, making political reconciliation a difficult prospect in the region. Singapore especially felt vulnerable in such a regional setting. As a small and newly formed state after its separation from the Malaysian Federation in 1965, the island republic felt quite exposed and powerless, caught between a bitter Malaysia and hegemonic Indonesia.²⁴²

In this strategic backdrop, the regional stakeholders understandably shared a common interest to pacify Indonesia. This goal could be achieved by engaging Indonesia in a regional framework in which the regional power was accorded a prominent role. This regional mindset is succinctly described by one analyst in this way:

Indonesia's membership in ASEAN would reduce the possibility of threat to their security posed by their giant neighbor ... Indonesia would appear to be placed in what amounts to a "hostage" position, albeit in a golden cage.²⁴³

Hence, similar to SAARC, albeit to a lesser degree, ASEAN can also be regarded as an outcome of the need of smaller powers in a region to counter-balance a potential hegemon. As such, ASEAN was different than the EU case, as the latter was not induced by the imperative to counterbalance any regional hegemon.

It should be noted that despite the strategic need to enmesh the regional power in a multilateral framework, Indonesia's participation in the regional process came to fruition only after a seemingly radical change in the country's leadership brought about by the fall of Sukarno, and the advent of the New Order regime under President Soeharto.²⁴⁴ The new political order set significantly different priorities in domestic and

²⁴¹ Acharya, *The Making of Southeast Asia*, 156.

²⁴² *Ibid.*, 157.

²⁴³ J. Doejati Djiwandono, "The Political and Security Aspects of ASEAN: Its Principal Achievements," *Indonesian Quarterly* 11, no. 3 (1983): 20.

²⁴⁴ Michael Leifer, *Indonesia's Foreign Policy* (London: George Allen and Unwin, 1983), 120.

foreign policy areas, which created a positive environment for regional cooperation. In contrast to the strategy of confrontation, Soeharto saw greater benefits in presenting Indonesia as a benevolent neighbor in the region and was more positive towards the notion of a regional alliance. Moreover, in addition to economic and developmental potential, the new president also saw a potential for Indonesia to express its leadership through such a forum. With such an agreeable mindset, the new president would become a strong supporter of a regional alliance.²⁴⁵

Besides regional threats, ASEAN founding members were also motivated by a need to form an alliance to counter external threats, which primarily came from the emergence of China as a potential regional hegemon. In this context, the founding members of ASEAN shared two-fold security concerns: a long-term security threat to the regional stability posed by a rising China and an immediate threat to their domestic political orders posed by the infusion of communist ideology in the region by China. Long-term wise, Indonesia and Malaysia were particularly concerned with China's potential to become a dominant power in the region.²⁴⁶ As Acharya notes, "The prospect of China emerging as the dominant force in the region—and the related prospect of Southeast Asia becoming to her what the Caribbean is to America or Eastern Europe to the USSR—was one aspect of ASEAN members' collective apprehensions."²⁴⁷ For the non-communist Southeast Asian countries, China was the primary instigator of turmoil in the region, which it allegedly did by supporting the regime in North Vietnam and fuelling communist insurgencies in their countries.²⁴⁸ In this context, the genesis of ASEAN bears similarity with the EU, as both processes were influenced by a shared threat perception emanating from outside the region.

Thus, it becomes evident that ASEAN's formation was not only driven by economic concerns but security concerns as well. The relative importance of security

²⁴⁵ Acharya, *The Making of Southeast Asia*, 157.

²⁴⁶ Ibid., 159.

²⁴⁷ Ibid., 158.

²⁴⁸ Chaudhury, *SAARC at Crossroads*, 138.

imperatives was stressed by Adam Malik, the third vice-president of Indonesia and a key player in the founding of ASEAN:

Although from the outset ASEAN was conceived as an organization for economic, social and cultural cooperation, and although considerations in these fields were no doubt central, it was the fact that there was a convergence in the political outlook of the five prospective member-nations, both with regard to national priority objectives as on the question of how best to secure these objectives in the emergent strategic configuration of East Asia, which provided the main stimulus to join together in ASEAN ... Whether consciously or unconsciously, considerations of national and regional security also figured largely in the minds of the founders of the ASEAN.²⁴⁹

D. ASEAN DECISION-MAKING PROCESS

The decision-making process in the ASEAN is based on the premises of consultation (*Musyawarah*) and consensus (*Muafakat*).²⁵⁰ *Musyawarah* is a Malay, Indonesian, and Brunei term which refers to the practice of arriving at decisions through prolonged discussions and consultations through sharing of ideas or opinions and *Muafakat* refers to consensus that is reached through such process or *Musyawarah*.²⁵¹ In political matters, consensus or *Muafakat* is strictly required; whereas in economic matters, modifications, or certain flexibility, are permissible.²⁵² The origin of such mechanism of decision-making was rooted in traditional practices followed in tribal communities in certain parts of Indonesia, Malaysia, and the Philippines.²⁵³

The complementing features of consultation and consensus have allowed a greater degree of flexibility in ASEAN decision-making process. With greater flexibility, member states can maneuver around difficult and contentious issues. Even in cases where it is difficult to reach a common agreement, the participants will unequivocally agree to lay off the decision for later consultations. Instead of publicly voicing disagreements,

²⁴⁹ Adam Malik, "Regional Cooperation in International Politics," in *Regionalism in Southeast Asia* (Jakarta: Center for Strategic and International Studies, 1975), 161–62.

²⁵⁰ Chaudhury, *SAARC at Crossroads*, 74.

²⁵¹ *Ibid.*, 76.

²⁵² *Ibid.*

²⁵³ *Ibid.*

member states will agree to discuss them behind closed door until some forms of agreement can be reached.²⁵⁴ Such provisions are supposedly designed to help maintain trust and good-relations.

Notwithstanding its tendency to be a slow process, the shelving of disagreements for later settlement has allowed ASEAN members to enmesh each other in the regional process. As regional cooperation measures invariably entail making complex decisions, such a methodical approach allows sufficient time for member states to resolve conflicting issues and arrive at a consensus without derailing the overall process. For example, when there was disagreement over the idea of neutrality proposed by Malaysia, instead of totally discarding the concept, ASEAN members underwent prolonged consultations over the matter. By “agreeing to disagree,” they could finally reach a consensus to form the Zone of Peace, Freedom, and Neutrality (ZOPFAN) in 1971.²⁵⁵

To their credit, ASEAN members have also agreed to the provision of third-party mediation in complex decision-making processes. Although such a provision was not formally accepted previously, it appears this mechanism is now generally well-accepted by all ASEAN members, especially in dealing with long standing disputes such as territorial ones.²⁵⁶ In settling territorial disputes such as Pedra Blanca between Malaysia and Singapore and that of Ligitan and Sipadan between Malaysia and Indonesia, the concerned stakeholders agreed to present the cases in the International Court of Justice. Implicit in such agreements was the understanding that the states would accept the decisions of the Court.²⁵⁷ Incorporation of such provision has proved to be an important step towards resolving contentious regional issues.

²⁵⁴ Hong Anh Tuan, “ASEAN Dispute Management: Implications for Vietnam and an Expanded ASEAN,” *Contemporary Southeast Asia*, 18, no. 1 (1996): 63.

²⁵⁵ Chaudhury, *SAARC at Crossroads*, 76.

²⁵⁶ *Ibid.*, 77.

²⁵⁷ Mely Caballero-Anthony, “Mechanisms of Dispute Settlement: The ASEAN Experience,” *Contemporary Southeast Asia* 20, no. 1 (1998): 60–61.

E. EU DECISION-MAKING PROCESS

In the case of West European integration, through a series of hard-lessons learned, the European stakeholders finally managed to strike a fine balance between the provisions of unanimity and majority voting in their decision-making process. Initially, the European Economic Community (EEC) required all decisions to be unanimous. Attempts to incorporate the provision of majority voting were met with objections by one or the other member states, which essentially paralyzed the decision-making process. As Jonathan Golub notes,

The entire period preceding the institutional reforms initiated in 1987, in fact, is commonly characterized as the “dark age” of the EEC or an era of “Euroscerosis”—a time of meagre legislative output marked by a painful slowness of decisions because instead of playing by the formal treaty rule, the need for unanimity on all decisions taken by the Council of Ministers had led to political paralysis in the Council.²⁵⁸

The institutional reforms, as mentioned by Golub, came through the signing of the Single European Act (SEA), which ingeniously reinforced the provision of majority voting in the decision-making process. The act, signed in 1986 and put in effect in July 1987, incorporated the provision for a qualified majority vote (QMV) while making decisions on pre-identified areas and issues.²⁵⁹ Through the provision, member states were allocated a set number of votes, based on country size. Accordingly, the UK, France, and Germany and Italy have 10 votes each, Spain has eight; Belgium, Greece, the Netherlands and Portugal five each; Austria and Sweden four each; Denmark, Finland and Ireland three each; and Luxembourg two.²⁶⁰ In order to arrive at a decision under the QMV, five-sevenths of the total weighted votes are always mandatory, which amount to 62 votes out of the total of 87. To counter, the opposition would require a minimum of 26 votes, meaning at least three states should participate.²⁶¹ By checking individual

²⁵⁸ Jonathan Golub, “In the Shadow of the Vote: Decision-Making in the European Community,” *International Organization* 53, no. 4 (Autumn 1999): 735.

²⁵⁹ Chaudhury, *SAARC at Crossroads*, 80.

²⁶⁰ *Ibid.*

²⁶¹ *Ibid.*

country's power of veto, the provision of QMV has thus finally helped to resolve the impasse in the EU decision-making process.

F. STATE SOVEREIGNTY AND SUPRA-NATIONALITY

The essence of regionalism lies in the disposition of member states to give up a certain degree of their state sovereignty to a larger supra-national authority, as a trade-off for political, economic, and social betterments. Advocates of such forms of regional integration argue that member countries can avail to better incentives because the supranational authority, in effect, can pool individual national resources for a larger cause. Moreover, the advocates debate the relevancy and rationality of the concept of state-sovereignty, which they claim has become obsolete in an increasingly interdependent world, where no state can truly claim absolute authority in all its affairs.²⁶² Also, the creation of interdependence through such a trans-national order holds great significance in reducing the probability of conflicts by making the opportunity cost of war prohibitively high.

History plays an influential role in shaping the attitude and disposition of countries towards the notions of sovereignty and supra-nationalism. More specifically, the history of the state formation manifests in a particular socio-cultural, economic, and strategic mindset, which determines how the states in the concerned region develop their views with regards to the nuances of regionalism.²⁶³

Viewed in this context, it can be argued that the European legacy of making and breaking alliances with each other has manifested in a strategic mindset, which makes the European states not particularly fixated on the notion of state-sovereignty. Conversely, a historical legacy of colonialism has manifested in a strategic mindset among ASEAN countries that is sensitive towards their new-found sovereignty and averse to the notion of supra-nationalism.

²⁶² S. F. Goodman, *The European Union* (3rd ed.) (London: Macmillan, 1996), 91.

²⁶³ Chaudhury, *SAARC at Crossroads*, 142.

Thus, the Europeans have arguably developed more tolerance to the notion of supra-nationalism, which they feel is commensurate with the need to make pragmatic choices. As S. F. Goodman puts it, “Too much dwelling on theoretical ideas of sovereignty is, to [EU countries], a waste of time.”²⁶⁴ With this favorable disposition, the EU countries have been successful in developing an ingenious amalgam of flexible compromises on how much national power to be retained by individual member states, as compared to how much centralized community power the supranational authority will be accorded.²⁶⁵ As Chaudhury asserts, “The concept of partial surrender of national sovereignty on the part of the member-states is a landmark in the development of the process of regional cooperation that helps Europe to emerge as a very unique model of integration.”²⁶⁶

In institutionalizing the complex relationship between a supranational authority and state sovereignty, the EU has evolved into a viable political and economic community. In the process, the EU countries have succeeded in developing a strong set of institutions that underpin shared norms and values of the European Community. Most prominently, the European Commission, as a transnational authority, represents the Community as a whole in the international arena. Besides the Commission, the EU has an independent European Parliament, which regulates the work of the Commission. There is also a European Court of Justice (ECJ), which has emerged as a supranational legal institution. Free from national interference, the ECJ strengthens the legitimacy of the Community over the member-states.²⁶⁷ Finally, the adoption of a common currency “euro” has sent the ultimate signals to the international community of EU countries’ resolve to adopt supra-nationalism. As Chaudhury asserts, “The adaptation of the European common currency, Euro makes it clear that, for the sake of their own benefits, the member-states of the European Union have become ready to compromise their

²⁶⁴ Goodman, *The European Union*, 91.

²⁶⁵ Chaudhury, *SAARC at Crossroads*, 132.

²⁶⁶ *Ibid.*, 133.

²⁶⁷ Anne-Marie Burley and Walter Mattli, “Europe before the Court: A Political Theory of Legal Integration,” *International Organization* 47, no. 1 (1993): 42.

national sovereignty with the supra-national authority of the European Community.”²⁶⁸ In doing so, the EU has clearly established itself as an epitome of regional integration.

G. SOVEREIGNTY VERSUS SUPRA-NATIONALITY: THE ASEAN EXPERIENCE

As noted earlier, in the ASEAN scenario, the newly formed Southeast Asian countries shared a strategic mindset that was skeptical to the notion of giving up any degree of state sovereignty to a supra-national authority. Having just come out of the shackles of colonialism and faced with a myriad of security concerns, the incipient countries harbored much sensitivity towards their new-found sovereignty. As a result, the ASEAN countries were not willing to compromise on this issue, neither by shedding any forms of sovereignty to a supra-national body or by interfering in each other’s internal affairs.²⁶⁹ For them, the primary concerns laid in protecting their newly gained sovereignty.

The principle of non-interference in each other’s internal affairs particularly reflects the sensitivity of ASEAN community towards state-sovereignty. The Declaration of Zone of Peace, Freedom, and Neutrality (ZOPFAN) in 1971 recognized the right of every state—large or small—to be free from external interference in its internal affairs. The general assumption was that external interferences would adversely affect the states’ independence, sovereignty, and integrity.²⁷⁰ It was also believed that the insistence on non-interference would help them to focus on their respective nation-building efforts and achieve national resilience. This, in turn, would give greater resilience to the ASEAN regional order in the long run.²⁷¹

It can be argued that ASEAN members’ refusal to surrender state sovereignty to a supra-national authority reflects that they were less committed in creating a political and economic community as one finds in the European integration. Rather, they favored the

²⁶⁸ Chaudhury, *SAARC at Crossroads*, 135.

²⁶⁹ *Ibid.*, 141.

²⁷⁰ *Ibid.*, 140.

²⁷¹ Robin Camchadram, “ASEAN and Non-interference: A Principle Maintained,” *Contemporary Southeast Asia* 22, no. 1 (2000): 64.

creation of a “diplomatic community,” which in essence would allow the countries to enmesh each other in the regionalism process.²⁷² As Chaudhury explains, “The key aspect of this approach is that it focuses not so much on the substance of the inter-state interaction, but on the ‘process,’ a process, which is ‘non-confrontational’ and designed to build comfort and mutual trust.”²⁷³ The focus remained on keeping the regionalism process as protracted as possible, yet not committing to an extent that would compromise individual sovereignty.

H. CONCLUSION

The genesis of both the EU and the ASEAN reveals that security concerns were key motivators in establishing the two regional organizations. Both the EU and the ASEAN countries were driven by a strategic need to present a united front against security threats that emanated from both within and outside the region. In Western Europe, coming out of the destruction of the Second World War, it was the potential threat posed by a resurgent Germany. In Southeast Asia, it was the need to pacify a hegemonic Indonesia, which pursued a policy of confrontation of *Konfrontasi* with its neighbors. These security imperatives display a great similarity with what one finds in South Asia, where smaller SAARC states perceived security threats emanating from India, the presumed regional hegemon.

However, unlike SAARC, where member countries did not share any common external threats, both the EU and the ASEAN countries faced such threats. In Western Europe, the threat emanated from a malevolent Soviet Union that was spreading its tentacles in the European Continent and beyond. Likewise, China’s emergence as a hegemonic power presented a long-term threat to regional stability for ASEAN countries.

The EU experience also shows the importance of the role of an outside power in facilitating the regionalism process. The U.S. role in Western Europe was a key in this regard. U.S. sponsorship, which was equally complemented by the willingness of the EU countries to accept U.S. leadership in the region, was crucial in paving the road to a

²⁷² Chaudhury, *SAARC at Crossroads*, 139.

²⁷³ *Ibid.*, 142.

successful integration. However, such an outside role is lacking in the regionalism processes both in Southeast Asia and South Asia. This distinctive lack of any international role can be attributed to the reluctance of both ASEAN and SAARC states to accept outside interference in regional matters. Hence, it can be argued, as purely home-grown regional enterprises, both SAARC and the ASEAN have lagged relatively behind in the regionalism process.

In the realm of decision-making, the EU again takes the lead by showing ingenuity and pragmatism. After their spat with ineffective decision-makings under the provision of unanimity, the EU countries finally devised an ingenious way in which they incorporated a system of majority voting that provided the EU sufficient leverage to make important decisions.

On the other hand, the ASEAN decision-making process, although flexible, cannot be considered as effective as the EU process. Rooted in the traditional premises of consultation (*Musyawarah*) and consensus (*Muafakat*), the ASEAN decision-making process is more focused on not offending each other's sensitivities and avoiding directly dealing with any contentious issues. As a protracted process, it only allows for member countries to enmesh each other in the regionalism process without resolving any key issues. Yet, it can be argued that compared with the SAARC process, the ASEAN process fares better, as the latter discusses contentious issues, the discussion of which are categorically prohibited in the SAARC process.

In dealing with the notions of sovereignty and supra-nationalism, the European countries have again been more forthcoming and accommodating than their ASEAN and SAARC counterparts. With a strategic mindset that favored a trade-off between sovereignty and supra-nationalism, the EU countries have readily embodied the concept of supra-nationalism as a pragmatic choice for an overarching cause of regional empowerment. Accordingly, they have developed a strong set of supra-national institutions, making the EU an epitome of regional integration.

In contrast, ASEAN countries have largely shown apprehension towards the notion of supra-nationalism. Coming out of a colonial legacy, the Southeast Asian

countries have remained unwilling to compromise on their new found sovereignty to any form of supra-national authority. In being sensitive towards state-sovereignty, ASEAN countries have essentially favored a more diplomatic community rather than a political and economic community, as in the EU. Such attitude is more akin to SAARC, where similar myopic viewpoint toward supra-nationalism prevails.

Thus, the prevalence of such a rigid mindset among SAARC and ASEAN countries appears to be quite a vexing problem, as it is fairly obvious that the fullest potentials of regional cooperation cannot be realized without relinquishing some degree of sovereignty to a supra-national authority. Yet, the problem is not insurmountable if the stakeholders are willing to make compromises, at least in part. SAARC and ASEAN countries can make some headway by differentiating economic and political agendas and accepting the terms of a supra-national authority in pre-identified areas of cooperation. In the long run, this may lead to an evolution in their mindset towards accepting the notion of supra-nationalism.

V. CONCLUSION AND RECOMMENDATIONS

Regionalism is no longer uncharted territory in global politics, notwithstanding its recent history. As the EU and ASEAN experiences have shown, regional efforts can be a positive sum game if all stakeholders make wholehearted commitments. From economic and security viewpoints, regional integration holds great potential to transform a region. This potential is crucial in the case of South Asia, where endemic poverty and an acute lack of adequate physical infrastructure make it difficult, if not impossible, for a majority of South Asian countries to undergo sustained economic growth on their own. Hence, it becomes evident that South Asian countries are better off choosing cooperation over non-cooperation, as the costs of choosing the latter are high.²⁷⁴

South Asian countries embarked on their journey of regionalism with the formation of SAARC in 1985. However, despite raised hopes with its establishment, SAARC has failed to deliver on its promises and has left much to be desired. In its life span of almost three decades, SAARC has achieved minimal regional integration, earning it a reputation as a mere talking shop, where member states are engaged in formalities only. Failures to enhance each other's development and security through regional cooperation have resulted in a low human development index, which is reflected in statistics showing the child mortality rate in South Asia ranking below Sub-Saharan Africa along with increased incidences of cross-border human-trafficking and terrorism.²⁷⁵ Furthermore, despite a huge economic potential, regional trade amounts to only 5 percent of the total trade in South Asia, compared to 26 percent in Southeast Asia.²⁷⁶

As has been discussed, a major impediment in achieving regional integration has been the power asymmetry between India and other smaller South Asian countries. The advent of power asymmetry, which established India as the dominant power in the

²⁷⁴ Ummu Salma Bava, "Regional Integration: Lessons for South Asia from around the World," in *Does South Asia Exist*, 49.

²⁷⁵ Dossani, Sneider, and Sood, "Does South Asia Exist?," 15.

²⁷⁶ *Ibid.*

region, generated an environment of discord that has not been conducive for regional cooperation. As it assumed itself the rightful heir to the British Raj, India aspired to assume regional leadership in a post-colonial South Asia. Accordingly, its regional policies became largely focused on maintaining a dominant posture and assertive policy towards its neighbors.²⁷⁷ Not surprisingly, the perception of India as a hegemonic power instilled a perennial sense of mistrust and apprehension in the smaller countries vis-à-vis India's motives. The trust deficit, thus developed, has resulted in varying degrees of conflictual relationships between India and almost all its neighbors. Most prominently, the Indo-Pakistan conflict stands out as an epitome of enduring rivalry. The two nuclear-armed adversaries have fought four major wars and countless border skirmishes, without solving any of the key issues.

The power asymmetry has also impeded the creation of an important role for SAARC in enhancing regional cooperation. Ironically, the very circumstances that induced smaller states in South Asia to form a regional organization to counterbalance a hegemonic India also created conditions that would prove to be setbacks for SAARC's role. In their bid to enmesh India in a multilateral forum, the smaller countries were forced to comply with all the preconditions laid out by an apprehensive India.

At India's behest, SAARC had to incorporate two self-defeating provisions in its charter: the provision of unanimity in decision-making, and the exclusion of bilateral and contentious issues from SAARC's agenda. The two provisions have, in effect, been serious impediments to SAARC's functions. As the EU countries learned their lessons the hard way—that it is difficult to arrive at a total consensus on regional matters—they had to make amendments in their decision-making process accordingly. However, SAARC members have so far been unable to show the same level of ingenuity and pragmatism in this regard.

In the same vein, SAARC has not been able to contribute in any meaningful way towards solving longstanding bilateral disputes. As the organization is categorically barred from pursuing these issues, it has been forced to remain a passive bystander. As a

²⁷⁷ Khan, "Security Impediments to Regionalism in South Asia," in *Does South Asia Exist*, 228.

consequence, these disputes, most notably the ones between India and Pakistan, remain extant. As such, it can be argued that SAARC represents a lost opportunity in promoting regional peace and stability in South Asia.

On an optimistic note, despite all the setbacks, regional integration is slowly gaining momentum and its prospect is looking increasingly feasible in the days ahead. In yet another ironic way, the positive development can be attributed to the very power asymmetry which has so far impeded the process. As India continues to grow economically and militarily, the power asymmetry has actually grown further. However, the newfound growth has enabled India to slowly change its perception towards regionalism. As India grows more confident, it has come to view regional integration in new light, as less of an impediment to its strategic interests. As Navnita Chadha Behera notes, “Indian leadership understands that India can no longer be held back, and the world will engage with India irrespective of its neighbors. This has become another reason for India to strengthen SAARC.”²⁷⁸

Indian commitment to regional growth was also reflected in the comments of India’s erstwhile Prime Minister, Dr. Manmohan Singh. He said, “India cannot prosper and progress without its neighboring countries also prospering, and progressing, in equal measure ... [and] historically the South Asian region has flourished the most when it has been connected to itself, and to the rest of the world.”²⁷⁹ As noted previously, the recent proclamation by the incumbent Indian Prime Minister Narendra Modi also reflects similar positive commitment towards regionalism in South Asia. Correspondingly, the perceptions of the other South Asian countries have also undergone similar changes. For them, cooperation with a stronger and economically robust India has become even more valuable, promising great rewards.

The only concern remains the perennial animosity between India and Pakistan. Even if both parties acknowledge the need for regional cooperation to achieve sustainable

²⁷⁸ Navnita Chadha Behera, “SAARC and Beyond: Civil Society and Regional Integration in South Asia,” in *Regional Integration and Economic Development in South Asia* (Northampton, MA: Edward Elgar Publishing Inc., 2012), 5.

²⁷⁹ Ibid.

development and alleviate millions of people from the depths of poverty, the countries' leaderships still have to undergo a change in their mindset. It will be a test for India, as to how much concession it is willing to make to get Pakistan onboard in the drive towards regionalism. On its part, Pakistan should be willing make similar concession, if it wants to reap the benefits of regional cooperation. As Akmal Hussain notes, "Suffering an adversarial relationship with one's neighbor can no longer be the emblem of patriotism. Instead, cooperation and regional unity through plurality promise to guide the region—and the world—into a new dawn."²⁸⁰

Compared to SAARC, the EU has fared much better as a regional organization. A vanguard of the regionalism process, the EU has also established itself as an epitome of supranational authority in world politics. Besides economic imperatives, a shared threat perception emanating from a malevolent Soviet Union motivated the Western European states to unite with each other. Similarly, the role of the United States was crucial in facilitating the integration process in Europe. U.S. sponsorship, complemented by the disposition of the European countries to accept U.S. leadership in the region, presented strong regional dynamics that were conducive to regional cooperation. Moreover, the willingness of European countries to surrender some degree of state sovereignty to a supranational authority was a key factor in fast-tracking European integration. Equally, the EU's success can be attributed to the ingenuity and pragmatism of the European countries in incorporating relevant changes in the organization's charter, such as amending the faulty decision-making process.

On a similar note, ASEAN has also fared better than SAARC. In its almost five decades of existence, the association has earned itself a strong standing in regional and international forums. Through proactive engagements, ASEAN has succeeded in enmeshing regional as well as international actors in its regional process. For ASEAN countries, the need to form a regional alliance came from two imperatives. First, it was the need to pacify a potentially hegemonic Indonesia. Second, it was the strategic need to present a united front against an emerging China. In its evolution, ASEAN has shown

²⁸⁰ Hussain, "The Challenges and Drivers of Regionalism in South Asia," in *Does South Asia Exist*, 166.

greater flexibility in including regional countries into its domain, which has generated a positive regional environment. Also, its reliance on the premises of consultation and consensus for decision-making has allowed a greater degree of flexibility in maneuvering around difficult and contentious regional issues. However, ASEAN members, similar to SAARC states, have been largely uncompromising towards the notion of relinquishing any degree of sovereignty to a supra-national authority. As can be inferred, this has been a setback to an otherwise promising process of regional integration.

One can draw important lessons from the experiences of the three regional organizations—SAARC, EU, and the ASEAN—on the impacts of power asymmetry in regionalism. The SAARC experience demonstrates that an asymmetric power balance can be unfavorable for regional integration by negatively impacting its institutionalization. It also appears that if the power disparities are significantly high, as in South Asia, the imperatives become stronger for smaller countries to take measures to offset the power imbalances. Arguably, the power imbalances were not great enough to stimulate such behaviors in Western Europe. Similarly, EU and ASEAN experiences show that a regional hegemon can show a positive attitude if its threat perception becomes similar to the regional neighbors. West Germany changed its attitude when faced with the Soviet threat, and Indonesia embraced regional cooperation in the face of a common threat emanating from an emerging China. Another lesson that can be drawn is that a regional hegemon becomes more likely to support regionalism if it sees its strategic interests are better served through the process. Both Indonesia and West Germany realized that their strategic interests were better aligned with regional imperatives. In SAARC's case, India did not see any political or economic incentives in cooperating with its neighbors, causing it to seek cooperation outside the region. A last point, which may appear obvious, is that a regional hegemon has to be reasonably certain that its smaller neighbors are not colluding behind its back. The smaller South Asian countries were not quite able to convince India in this regard, causing India to make unreasonable demands for institutionalizing SAARC.

Based on the discussions herein, some policy recommendations to promote the role of SAARC and achieve regional cooperation in South Asia are outlined as follows.

1. As suggested earlier, if SAARC is to be converted into a vibrant and effective organization, first and foremost, it will require fundamental reorientation of the mindset of the regional stakeholders. To this end, the role of India will be instrumental in deciding SAARC's fate. Hence, India will have to forego its ambivalent regional policy and take a purposeful lead in regional integration versus only seeking dominance. Equally, other member states will have to shed their myopic view wherein they see hegemonic designs in everything India does. If they want to achieve regional integration, smaller countries should be willing to accept the inevitability of India's centrality and potential in this regard.
2. Commensurate with changing attitudes, SAARC countries should also make positive efforts to reevaluate their security perceptions. Although threats emanating from regional sources remain a primary security concern, it should be realized that in most cases, such threats may have been exaggerated to protect vested interests of South Asian elites. Moreover, harping too much about external security threats comes at the cost of genuine internal security threats such as poverty, corruption, and inequitable growth, which have actually been downplayed.²⁸¹
3. To make SAARC a functional organization, it is imperative to make amendments in SAARC's faulty Charter that calls for unanimous decision-making. In this regard, SAARC can draw lessons from the EU experience. Similar to the EU, SAARC can incorporate the provision of majority voting in predetermined issue areas while retaining the provision of unanimity. To start, SAARC can incorporate such provisions in economic agendas while leaving political issues to be decided through existing processes.
4. SAARC should also not shy away from discussing bilateral and contentious issues. In this regard, the ASEAN process of consultation to arrive at a consensus can be a good way to make a beginning. Similar to the ASEAN practices, SAARC members should encourage consultations instead of totally discarding any contentious issues, so that even if immediate solutions cannot be found, they can reach an agreement to shelve the issues for future consultations. Such measures can prove to be beneficial in minimizing the trust deficit that plagues the region.

²⁸¹ Kumar, "Is a Successful SAARC an Imperative," in *Does South Asia Exist*, 110.

5. SAARC should attempt to involve global powers such as the United States in its regional affairs, both economically and politically. So far, the region has not been able to garner meaningful U.S. interest, which can be attributed to SAARC members' inability to present a united front and India's hesitancy on engaging outside parties in regional affairs. However, with a warming relationship between India and the United States, the environment may have become favorable to attract U.S. interest in the region. Besides economic issues, the United States may be willing to exert its resources on other issues that also impact its national interests, such as building democratic institutions, enhancing security cooperation, developing intelligence links, and encouraging cooperation in narcotics and terrorism issues.²⁸²
6. It is obvious that SAARC members will not be willing to shed their state sovereignty to any supra-national authority to the extent that has been achieved in the European integration. The problem becomes vexing as the South Asian predisposition derives primarily from a cultural mindset, which zealously guards sovereignty. However, the problem is not insurmountable if SAARC members are willing to make compromises, at least in part. They can make some headway by differentiating between economic and political agendas. In so doing, a compromise can be made to accept the provision of a supra-national authority in pre-identified economic areas of cooperation. Such measures should also be complemented by efforts to allocate adequate and robust authority to the SAARC's Secretariat, which is currently functioning as a nominal entity with minimal authority. It is also important to fill the Secretariat positions with professional experts, which currently may not be the case. Increasing the pay and incentives can prove useful in attracting competent candidates to assume the Secretariat positions.²⁸³ In the long run, such measures may lead to an evolution in the mindset of South Asian countries towards accepting the notion of supra-nationalism.

²⁸² Xenia Dormandy, "U.S. Attitudes toward South Asian Regionalism," in *Does South Asia Exist*, 269.

²⁸³ Kumar, "Is a Successful SAARC an Imperative," 110.

THIS PAGE INTENTIONALLY LEFT BLANK

LIST OF REFERENCES

- Acharya, Amitav. *The Making of Southeast Asia: International Relations of a Region*. Singapore: Institute of Southeast Asian Studies, 2012.
- Acharya, Amitav, and Alastair Iain Johnston. "Comparing Regional Institutions: An Introduction," In *Crafting Cooperation: Regional International Institutions in Comparative Perspective*, edited by Amitav Acharya and Alastair Iain Johnston, 1–31. Cambridge: Cambridge University Press, 2007.
- Bajpai, Kanti P., and Stephen P. Cohen, eds. *South Asia after the Cold War: International Perspectives*. Boulder, CO: Westview Press, 1993.
- Behera, Navnita Chadha. "SAARC and Beyond: Civil Society and Regional Integration in South Asia." In *Regional Integration and Economic Development in South Asia*, edited by Sultan Hafeez Rahman, Sridhar Khatri, and Hans-Peter Brunner, 3–44. Northampton, MA: Edward Elgar Publishing Inc., 2012.
- Burley, Anne-Marie and Walter Mattli. "Europe before the Court: A Political Theory of Legal Integration." *International Organization* 47, no. 1 (1993): 41–76.
- Caballero-Anthony, Mely. "Mechanisms of Dispute Settlement: The ASEAN Experience." *Contemporary Southeast Asia* 20, no. 1 (1998): 38–66.
- Camchadram, Robin. "ASEAN and Non-interference: A Principle Maintained." *Contemporary Southeast Asia* 22, no. 1 (2000): 60–88.
- Chaudhury, Anasua Basu Ray. *SAARC at Crossroads: The Fate of Regional Cooperation in South Asia*. New Delhi: Samskriti, 2006.
- Cheema, Pervaiz Iqbal. "SAARC Needs Revamping." In *The Dynamics of South Asia: Regional Cooperation and SAARC*, edited by Eric Gonsalves and Nancy Jetly, 91–104. New Delhi: Sage Publications, 1999.
- Dash, Kishore C. *Regionalism in South Asia: Negotiating Cooperation, Institutional Structures*. New York: Routledge, 2008.
- Djiwandonon, Doejati J. "The Political and Security Aspects of ASEAN: Its Principal Achievements." *Indonesian Quarterly* 11, no. 3 (1983): 19–26.
- Dormandy, Xenia. "U.S. Attitudes toward South Asian Regionalism." In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 251–274. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.

- Dossani, Rafiq, Daniel C. Sneider, and Vikram Sood. "Does South Asia Exist?" In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 15–36. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Dubey, Muchkund. "Regional Economic Integration in South Asia: The Development of Institutions and the Role of Politics," In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 53–84. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Embree, Ainslie T. "Democratization as Scaffolding for Regional Integration." In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 199–226. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Freedman, Lawrence. "Strategic Coercion." In *Strategic Coercion: Concepts and Cases*. Edited by Lawrence Freedman. Oxford: Oxford University Press, 1998.
- Ganguly, Sumit. *Conflict Unending: India-Pakistan Tensions since 1947*. New Delhi: Oxford University Press, 2001.
- Ganguly, Sumit, and S. Paul Kapur. *India, Pakistan and the Bomb: Debating Nuclear Stability in South Asia*. New York: Columbia University Press, 2010.
- . "The Jihadi Paradox: Pakistan and Islamist Militancy in South Asia." *International Security* 37, no. 1 (2012), 111–41.
- Ghani, Ejaz, ed. *The Poor Half Billion in South Asia: What is Holding Back Lagging Regions*. New Delhi: Oxford University Press, 2010.
- Gill, Ranjit. *ASEAN: Coming of Age*. Singapore: Sterling Corporate Services, 1987.
- Golub, Jonathan. "In the Shadow of the Vote: Decision-Making in the European Community." *International Organization* 53, no. 4 (Autumn 1999): 733–64.
- Gonsalves, Eric, and Nancy Jetly, ed. *The Dynamics of South Asia: Regional Cooperation and SAARC*. New Delhi: Sage Publications, 1999.
- Goodman, S. F. *The European Union* (3rd ed.). London: Macmillan, 1996.
- Haas, E. B. *The Uniting of Europe: Political, Social and Economic Forces; 1950–1957*. London: Stevens, 1958.
- Haq, Muhammad Shamsul. *International Politics: A Third World Perspective*. New Delhi: Sterling, 1987.

- Hunt, Terence. "President-Wallah: India Is the Jewel in U.S. Leader's Asia Trip." *Guardian*, March 20, 2000.
- Hussain, Ross Masood. "SAARC 1985–1995: A Review and Analysis of Progress." In *The Dynamics of South Asia: Regional Cooperation and SAARC*, edited by Eric Gonsalves and Nancy Jetly, 21–39. New Delhi: Sage Publications, 1999.
- Hussain, Akmal. "The Challenges and Drivers of Regionalism in South Asia: The India-Pakistan Peace Process." *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 151–168. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Kabir, Mohammand Humayun. "Bangladesh-India Relations: Recent Trends." In *Comprehensive Security in South Asia*, edited by Dev Raj Dahal and Nischal Nath Pandey, 91–100. New Delhi: Manohar, 2005.
- Katzenstein, Peter. "Regionalism and Asia." *New Political Economy* 5, no. 3 (2000): 353–70.
- Kelegama, Saman. "South Asian Regionalism: A Sri Lankan Perspective." In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 169–182. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Keohane, Robert O. *After Hegemony: Cooperation and Discord in the World Economy*. New Jersey: Princeton University Press, 1984.
- Kodiara, S. U. "Regional Roles and Behavior in South Asia: A Theoretical Framework of Regional Cooperation." In *Regional Co-operation and Development in South Asia*, vol.1., edited by Bhabani Sen Gupta, 29–55. New Delhi: Center for Policy Research, 1986.
- Khan, Feroz. "Security Impediments to Regionalism in South Asia," In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 227–250. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Khatri, Sridhar K. "Nepal in the International System: The Limits of Power of a Small State." In *The Political Economy of a Small State*, edited by Ananda Aditya, 5–24. Kathmandu: NEFAS, 1998.
- Koirala, Kosh Raj. "Leaders Resolved to Impart Momentum to SAARC." *My Republica*, November 27, 2014. <http://myrepublica.com/>.

- Kumar, Rajiv. "Is a Successful SAARC an Imperative for India?" In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 99–114. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Lal, C. K. "From Nehru Creed to Indira Doctrine." *Himal South Asian*, February 2009. <http://old.himalmag.com/himal-feed/60/442-from-nehru-creed-to-indira-doctrine.html>.
- Lama, Mahendra P. "Bhutan, Nepal, and SAARC: Harnessing Old Resources with New Instruments." In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 115–150. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Leifer, Michael. *Indonesia's Foreign Policy*. London: George Allen and Unwin, 1983.
- Lindberg, Leon N. *The Political Dynamics of European Integration*. Stanford: Princeton University Press, 1971.
- Maass, Citha D., "South Asia: Drawn between Cooperation and Conflict." In *The Dynamics of South Asia: Regional Cooperation and SAARC*, edited by Eric Gonsalves and Nancy Jetly, 40–62. New Delhi: Sage Publications, 1999.
- Malik, Adam. "Regional Cooperation in International Politics." In *Regionalism in Southeast Asia*. Jakarta: Center for Strategic and International Studies, 1975.
- Muni, S. D. "South Asia." In *Conflict and Intervention in the Third World*. Edited by Mohammed Ayoob. London: Croom Helm Ltd., 1980.
- . "Regionalism beyond the Region: South Asia outside SAARC." In *The Dynamics of South Asia: Regional Cooperation and SAARC*, edited by Eric Gonsalves and Nancy Jetly, 113–130. New Delhi: Sage Publications, 1999.
- Muni, S. D. "SARC: Building Regionalism from Below." *Asian Survey* XXV, no. 4 (1985): 391–404.
- Nasr, Vali. "National Identities and the India-Pakistan Conflict." In *The India-Pakistan Conflict: An Enduring Rivalry*, edited by T. V. Paul, 178–201. Cambridge: Cambridge University Press, 2005.
- Paranjpe, Shrikant, and Raju G. C. Thomas. "India and South Asia: Resolving the Problems of Regional Dominance and Diversity." In *Regional Hegemons: Threat Perception and Strategic Response*, edited by David J. Myers, 161–189. Boulder, CO: Westview Press Inc., 1991.
- Pentland, Charles. *International Theory and European Integration*. London: Faber and Faber Limited, 1973.

- Prasad, Bimal. "Prospects for Greater cooperation in South Asia: The Political Dimensions." In *The Dynamics of South Asia: Regional Cooperation and SAARC*, edited by Eric Gonsalves and Nancy Jetly, 63–74. New Delhi: Sage, 1999.
- SAARC Charter. Kathmandu: SAARC Secretariat. Accessed January 17, 2015. <http://saarc-sec.org/saarc-charter/5/>.
- Sahadevan, P. "Security of Sri Lanka: Concerns, Approaches and Alternatives." In *Comprehensive Security in South Asia*, edited by Dipankar Banerjee, 167–70. New Delhi: IPCS, 1998.
- Sabur, A. K. M. "The Challenge of CBMs in South Asia: A Bangladeshi Perspective." In *The Challenge of Confidence-Building in South Asia*, edited by Moonis Ahmar, 137–168. New Delhi: Har-Anand Publications, 2001.
- Shah, Saubhagya. "A Himalayan Red Herring?: Maoist Revolution in the Shadow of the Legacy Raj." In *Himalayan People's War: Nepal's Maoist Rebellion*, edited by Michael Hutt, 192–224. London: Hurst and Co., 2005.
- Shah, Shukdev. "Missing Economic Links." *My Republica*, November 27, 2014. <http://myrepublica.com/>.
- Sobhan, Rehman. "Bangladeshi Perspectives on South Asian Regional Integration," In *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 85–98. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- "South Asia: The Unmagnificent Seven." *Economist*, January 24, 2002. <http://www.economist.com/>.
- Tuan, Hong Anh. "ASEAN Dispute Management: Implications for Vietnam and an Expanded ASEAN." *Contemporary Southeast Asia* 18, no. 1 (1996): 61–80.
- Ummu Salma Bava. "Regional Integration: Lessons for South Asia from Around the Word," in *Does South Asia Exist?: Prospects for Regional Integration*, edited by Rafiq Dossani, Daniel C. Sneider, and Vikram Sood, 37–52. Stanford: Walter H. Shorenstein Asia-Pacific Research Center, 2010.
- Wallace, William. *Regional Integration: The West European Experience*. Washington, DC: Brookings Institution, 1994.
- Wagner, Christian. *Security Cooperation in South Asia: Overview, Reasons, Prospects* (SWP Research Paper). Berlin: Stiftung Wissenschaft, and Politik, German Institute for International and Security Affairs, 2014. http://www.swp-berlin.org/fileadmin/contents/products/research_papers/2014_RP06_wgn.pdf.

Ziring, Lawrence, ed. *The Subcontinent in World Politics: India, Its Neighbors and the Great Power*. New York: Praeger, 1978.

INITIAL DISTRIBUTION LIST

1. Defense Technical Information Center
Ft. Belvoir, Virginia
2. Dudley Knox Library
Naval Postgraduate School
Monterey, California